



# Journal of the House

State of Indiana

113th General Assembly

Second Regular Session

Fifteenth Meeting Day

Thursday Morning

January 29, 2004

The House convened at 10:30 a.m. with the Speaker in the Chair.

The invocation was offered by Reverend T. J. Jenney, University Church at Purdue, West Lafayette, the guest of Representative Sue W. Scholer.

The Pledge of Allegiance to the Flag was led by Representative Scholer.

The Speaker ordered the roll of the House to be called:

T. Adams ...	Kromkowski ...
Aguilera	Kruse
Alderman	Kuzman
Austin	LaPlante
Avery	L. Lawson
Ayres	Lehe
Bardon	Leonard
Becker	Liggett
Behning	J. Lutz
Bischoff	Lytle
Borror	Mahern
Bosma	Mangus
Bottorff	Mays
C. Brown	McClain
T. Brown	Messer
Buck	Moses
Budak	Murphy
Buell	Neese
Burton	Noe
Cheney	Orentlicher
Cherry	Oxley
Chowning	Pelath
Cochran	Pflum ...
Crawford	Pierce
Crooks	Pond
Day	Porter
Denbo	Reske
Dickinson	Richardson
Dobis	Ripley
Duncan	Robertson
Dvorak	Ruppel
Espich	Saunders
Foley	Scholer
Frenz	V. Smith
Friend	Stevenson
Frizzell	Stilwell
Fry	Stutzman
GiaQuinta	Summers
Goodin	Thomas
Grubb	Thompson
Gutwein	Torr
Harris	Turner
Hasler	Ulmer ...
Heim	Van Haaften
Herrell	Welch
Hinkle	Whetstone
Hoffman	Wolkins
Kersey	D. Young
Klinker	Yount
Koch	Mr. Speaker

Roll Call 38: 96 present; 4 excused. The Speaker announced a quorum in attendance. [NOTE: ... indicates those who were excused.]

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has overridden the veto of the Governor on House Enrolled Act 1660.

MARY C. MENDEL  
Principal Secretary of the Senate

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has overridden the veto of the Governor on House Enrolled Act 1798.

MARY C. MENDEL  
Principal Secretary of the Senate

## MESSAGE TO THE HOUSE

Mr. Speaker: This shall confirm that on this date the Secretary of State's Office did receive House Enrolled Acts 1660 and 1798.

TERRY M. DOVE  
Authentication Deputy

Date: January 28, 2004

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Engrossed Senate Bills 23, 40, 65, 74, 135, 166, 186, 189, 192, 252, 257, 258, 263, and 285 and the same are herewith transmitted to the House for further action.

MARY C. MENDEL  
Principal Secretary of the Senate

## REPORTS FROM COMMITTEES

### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1014, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 20, nays 3.

CRAWFORD, Chair

Report adopted.

### COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred House Bill 1017, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 3, delete "An" and insert "**Except as provided in subsection (e),** an".

Page 1, line 8, reset in roman "thousand".

Page 1, line 8, delete "hundred".

Page 1, line 9, reset in roman "(\$2,000)".

Page 1, line 9, delete "(\$200)".

Page 2, delete lines 14 through 42, begin a new paragraph and insert:

**"(e) If an owner described in subsection (a) registered an underground storage tank before January 1, 2004, the penalty established in subsection (a) may not be assessed against the owner for:**

(1) failing to register the underground storage tank; or  
(2) any failure to pay an annual registration fee under section 1 of this chapter:

(A) in connection with the underground storage tank; and

(B) that was due before January 1, 2004."

Delete page 3.

(Reference is to HB 1017 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

BOTTORFF, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1018, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 26, nays 1.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1020, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 11, delete "body." and insert **"body, not to exceed the federal rate for mileage calculated for use of a privately owned automobile under 41 CFR 301-10.303 in effect on the date the township fiscal body determines the rate."**

Page 1, after line 12 begin a new paragraph and insert:

"SECTION 2. IC 36-10-11-33, AS AMENDED BY P.L.178-2002, SECTION 137, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 33. (a) The fiscal body of the lessee shall adopt an ordinance creating a board of five (5) members to be known as the "Civic Center Board of Managers". The board of managers shall supervise, manage, operate, and maintain a building and its programs.

(b) A person appointed to the board of managers must be at least twenty-one (21) years of age and a resident of the lessee governmental entity for at least five (5) years. If the lessee is a city, three (3) of the managers shall be appointed by the city executive, and two (2) of the managers shall be appointed by the city legislative body. If the lessee is not a city, all five (5) managers shall be appointed by the fiscal body of the lessee. An officer or employee of a political subdivision may not serve as a manager. The managers serve for terms of three (3) years.

(c) Notwithstanding subsection (b), if the lessee is a city, initial terms of the managers appointed by the executive are as follows:

- (1) One (1) manager for a term of one (1) year.
- (2) One (1) manager for a term of two (2) years.
- (3) One (1) manager for a term of three (3) years.

The initial term of one (1) of the managers appointed by the legislative body is two (2) years, and the other is three (3) years.

(d) Notwithstanding subsection (b), if the lessee is not a city, initial terms of the managers are as follows:

- (1) One (1) manager for a term of one (1) year.
- (2) Two (2) managers for terms of two (2) years.
- (3) Two (2) managers for terms of three (3) years.

(e) A manager may be removed for cause by the appointing authority. Vacancies shall be filled by the appointing authority, and any person appointed to fill a vacancy serves for the remainder of the vacated term. The managers may ~~not receive salaries, but a salary or a per diem, and~~ shall be reimbursed for any expenses necessarily incurred in the performance of their duties.

(f) The board of managers shall annually elect officers to serve during the calendar year. The board of managers may adopt resolutions and bylaws governing its operations and procedure and may hold meetings as often as necessary to transact business and to perform its duties. A majority of the managers constitutes a quorum."

(Reference is to HB 1020 as introduced.)  
and when so amended that said bill do pass.

Committee Vote: yeas 14, nays 0.

MOSES, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Appointments and Claims, to which was referred House Bill 1028, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 12, nays 0.

HARRIS, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred House Bill 1031, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 14-26-2-23, AS ADDED BY P.L.64-2000, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. The commission shall adopt rules in the manner provided in IC 14-10-2-4 to do the following:

- (1) Assist in the administration of this chapter.
- (2) Provide objective standards for licensing:

(A) the placement of a temporary or permanent structure or material; or

(B) the extraction of material;

over, along, or within a shoreline or waterline. The standards shall exempt any class of activities from licensing if the commission finds that the class is unlikely to pose more than a minimal potential for harm to the public rights described in section 5 of this chapter.

(3) Establish a process under IC 4-21.5 for the mediation of disputes among riparian owners **or easement holders** or between a riparian owner **or an easement holder** and the department concerning the usage of an area over, along, or within a shoreline or waterline for a matter within the jurisdiction of this chapter. The rule must provide ~~that the~~ **the following:**

(A) If good faith mediation under the process fails to achieve a settlement, the department shall make a determination of the dispute. ~~and In making the determination the department shall consider and accommodate this chapter and the rules adopted under this chapter, including the public trust, with the correlative riparian rights and easement rights of affected persons. The determination may include an equitable allocation of uses where reasonably required by available space or resources.~~

(B) A person affected by the determination of the department may seek administrative review by the commission.

(C) **A party to an action by the commission may seek judicial review in a county where the freshwater lake is located."**

Page 1, line 3, after "(a)" insert **"This section governs the interests between or among easement holders."**

Page 1, line 9, delete "fresh water" and insert **"freshwater"**.

Page 1, line 11, after "dock," insert **"a lift station, a platform,"**.

Page 1, line 13, delete "fresh water" and insert **"freshwater"**.

Page 2, line 1, delete "owned by one (1) or more persons, but not an" and insert **"controlled by a conservancy district, written permission is granted by the board of directors."**

Page 2, delete lines 2 through 3.

Page 2, line 4, after "dock," insert **"a lift station, a platform,"**.

Page 2, line 6, delete "fresh water" and insert **"freshwater"**.

Page 2, between lines 7 and 8, begin a new paragraph and insert:  
**"(e) Where a plat, a subdivision, an addition, or other identifiable parcel of land is served by an easement that provides access to a public freshwater lake and the easement does not provide effectively for the easement's management, a majority of the freeholders (as defined by IC 14-8-2-104) who are benefitted by the easement may form:**

- (1) an association established under IC 23-5 through IC 23-10; or**
  - (2) a conservancy district established under IC 14-33.**
- A conservancy district established under this subsection provides beneficial water management under IC 14-33-1-1(a)(6)."**

Renumber all SECTIONS consecutively.  
 (Reference is to HB 1031 as introduced.)  
 and when so amended that said bill do pass.  
 Committee Vote: yeas 11, nays 0.

BISCHOFF, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred House Bill 1042, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 12, nays 0.

LYTLE, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1046, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 14, nays 0.

MOSES, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Interstate and International Cooperation, to which was referred House Bill 1054, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 9, after "city" insert **"described in sections 22(a) and 23(a) of this chapter"**.

Page 2, line 23, delete "." and insert **"that includes a waterfront on Lake Michigan or a channel that is ordinarily navigable to Lake Michigan."**

Page 3, between lines 15 and 16, begin a new paragraph and insert:  
**"(h) The general assembly finds that in port authorities that include a waterfront on Lake Michigan or a channel that is ordinarily navigable to Lake Michigan there exist unique problems related to necessary dredging and cleaning of channels used by boats that operate on the Great Lakes. These unique problems may be alleviated by the authorization of a docking fee under this section."**

Page 3, line 19, after "creation" insert **"under this chapter"**.

Page 3, line 19, after "port authority" delete "under this chapter" and insert **"that includes a waterfront on Lake Michigan or a channel that is ordinarily navigable to Lake Michigan"**.

Page 4, after line 13, begin a new paragraph and insert:

**"(g) The general assembly finds that in port authorities that include a waterfront on Lake Michigan or a channel that is ordinarily navigable to Lake Michigan there exist unique problems related to necessary dredging and cleaning of channels used by boats that operate on the Great Lakes. These unique problems may be alleviated by the authorization of a launch fee under this section."**

(Reference is to HB 1054 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

DENBO, Vice Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1056, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 8, after "fees;" insert **"or"**.

Page 1, line 9, delete "marriage counseling expenses;"

Page 1, line 10, delete "(5)".

Page 1, run in lines 9 through 10.

Page 1, line 11, delete "article; or" and insert **"article."**

Page 1, delete line 12.

Page 1, line 13, delete "spouse demonstrates" and insert **"court determines after holding a hearing described in subsection (b)".**

Page 1, line 15, delete "To demonstrate that an individual's spouse has been the" and insert **"A spouse may petition the court for any fees, expenses, or lost wages under subsection (a). After the court receives the petition, the court shall conduct a hearing to determine whether the spouse has been the victim of domestic or family violence committed by the individual."**

**(c) If the court sets a hearing under subsection (b), the court shall:**

**(1) notify both parties of the hearing;**

**(2) schedule the hearing at least ten (10) days after the petition is filed.**

**(d) Both parties may subpoena witnesses and present evidence regarding the claims of domestic or family violence stated in the petition.**

**(e) The court may consider the following evidence in a hearing under subsection (b):"**

Page 1, delete lines 16 through 17.

Page 2, line 1, after "(1)" delete "a" and insert **"A"**.

Page 2, line 2, delete ";" and insert **"."**.

Page 2, line 3, delete "a" and insert **"A"**.

Page 2, line 3, delete ";" and insert **"."**.

Page 2, line 4, delete "a" and insert **"A"**.

Page 2, line 4, delete ";" and insert **"."**.

Page 2, delete line 5.

Page 2, line 6, delete "an" and insert **"An"**.

Page 2, line 8, delete "provider;" and insert **"provider."**

**(5) A charging instrument."**

Page 2, delete lines 9 through 10.

(Reference is to HB 1056 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

L. LAWSON, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1061, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 8, delete "may" and insert **"must"**.

Page 1, line 8, delete "at any time." and insert **"before the child becomes thirty-one (31) years of age."**

Page 1, delete lines 12 through 17.

Delete page 2.

(Reference is to HB 1061 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 2.

L. LAWSON, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1068, has had the same under consideration and begs

leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 12, nays 0.

L. LAWSON, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce and Economic Development, to which was referred House Bill 1071, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 9, line 11, after "physician," insert "**a chiropractor,**".

Page 9, line 19, after "including" insert "**a chiropractor,**".

Page 13, line 24, delete ";" and insert "**or accredited by another state where the standards for massage therapy education are substantially the same as the standards in Indiana;**".

Page 14, line 17, delete "and".

Page 14, line 18, delete "standard" and insert "**standards**".

Page 14, line 19, delete "." and insert ";

**(3) pays an application fee determined by the board; and**

**(4) provides a history of any of the individual's criminal convictions, including any criminal convictions relating to the practice of the profession. A criminal conviction may not operate as a complete bar to a license, unless:**

**(A) the conviction is for:**

**(i) prostitution;**

**(ii) rape; or**

**(iii) sexual misconduct; or**

**(B) the applicant is a registered sex offender."**

Page 15, line 2, delete "and".

Page 15, line 3, delete "." and insert "; and

**(3) provide a history of any of the individual's criminal convictions, including any criminal convictions relating to the practice of the profession. A criminal conviction may not operate as a complete bar to a license, unless:**

**(A) the conviction is for:**

**(i) prostitution;**

**(ii) rape; or**

**(iii) sexual misconduct; or**

**(B) the applicant is a registered sex offender."**

Page 17, line 20, delete "." and insert "**or accredited by another state where the standards for massage therapy education are substantially the same as the standards in Indiana.**".

(Reference is to HB 1071 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 2.

STEVENSON, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Interstate and International Cooperation, to which was referred House Bill 1072, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 20, delete "explosive;" and insert "**explosive other than black powder or common fireworks;**".

Page 2, line 22, delete "explosive." and insert "**explosive other than black powder or common fireworks.**".

Page 2, line 35, delete "explosive" and insert "**explosive, other than black powder or common fireworks,**".

(Reference is to HB 1072 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

DENBO, Vice Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1081, has had the same under

consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 5, after "of" insert "**at least**".

Page 2, line 5, reset in roman "fifty".

Page 2, line 5, delete "at least one hundred".

Page 2, line 5, reset in roman "(\$50)".

Page 2, line 5, delete "(\$100)".

(Reference is to HB 1081 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

DVORAK, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1083, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning local government.

Delete everything after the enacting clause and insert the following:

SECTION 1. [EFFECTIVE JULY 1, 2004] (a) As used in this SECTION, "committee" refers to the interim study committee on Marion County mass transportation established by subsection (b).

(b) The interim study committee on Marion County mass transportation is established. The committee shall study mass transportation in Marion County.

(c) The committee shall operate under the policies governing study committees adopted by the legislative council.

(d) This SECTION expires January 1, 2005.

(Reference is to HB 1083 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 2.

MOSES, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1116, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 18, nays 8.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1147, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 5, between lines 28 and 29, begin a new paragraph and insert: "SECTION 5. IC 9-18-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. (a) An antique motor vehicle must be registered annually.

(b) The bureau may adopt a:

(1) registration form; and

(2) certificate of registration;

to implement this chapter.

(c) After December 31, 2005, a person who:

(1) registers an antique motor vehicle under this chapter; and

(2) wishes to display:

(A) an authentic license plate from the model year of the antique motor vehicle; or

(B) a reproduction of an authentic license plate required during the model year of the antique motor vehicle;

as set forth in section 2.5 of this chapter;

shall pay the required service charge under IC 9-29-3-18.5."

Page 6, line 12, delete "A" and insert "This section applies to an

**antique motor vehicle that is at least forty (40) years old.**

**(b) After December 31, 2005, a".**

Page 6, line 18, delete "(b)" and insert "(c)".

Page 6, line 26, delete "(c)" and insert "(d)".

Page 6, line 31, delete "(d)" and insert "(e)".

Page 6, after line 40, begin a new paragraph and insert:

"SECTION 8. IC 9-29-3-18.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 18.5. Beginning January 1, 2006, the service charge for the use of:**

**(1) an authentic license plate from the model year of the antique motor vehicle; or**

**(2) a reproduction of an authentic license plate required during the model year of the antique motor vehicle;**

**under IC 9-18-12-2.5 is twenty-five dollars (\$25)."**

Renumber all SECTIONS consecutively.

(Reference is to HB 1147 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 4.

RESKE, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred House Bill 1150, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 15, line 42, strike "30.(A)" and insert "31".

Page 16, line 10, strike "30.(A)" and insert "31".

Page 21, line 7, strike "30.(A)" and insert "31".

Page 21, line 16, reset in roman "ten".

Page 21, line 16, delete "fifteen".

Page 21, line 17, reset in roman "(10)".

Page 21, line 17, delete "(15)".

Page 21, line 18, strike "31.A." and insert "32".

Page 25, line 20, delete ""Asset backed security" means a security or other".

Page 25, delete lines 21 through 42.

Page 26, line 1, delete "(4)".

Run in page 25, line 20 through page 26, line 1.

Page 26, line 15, reset in roman "(4)".

Page 26, line 15, delete "(5)".

Page 26, line 21, reset in roman "(5)".

Page 26, line 21, delete "(6)".

Page 26, line 30, reset in roman "(6)".

Page 26, line 30, delete "(7)".

Page 26, line 36, reset in roman "(7)".

Page 26, line 36, delete "(8)".

Page 27, line 3, reset in roman "(8)".

Page 27, line 3, delete "(9)".

Page 27, line 6, reset in roman "(9)".

Page 27, line 6, delete "(10)".

Page 27, line 13, reset in roman "(10)".

Page 27, line 13, delete "(11)".

Page 27, line 18, reset in roman "(11)".

Page 27, line 18, delete "(12)".

Page 27, line 27, reset in roman "(12)".

Page 27, line 27, delete "(13)".

Page 35, line 33, delete "asset backed securities that carry a rating of at least:" and insert **"obligations or interests in trusts or partnerships in which a life insurance company may invest as described in paragraph 31 of IC 27-1-12-2(b). Investments authorized by this paragraph may not exceed ten percent (10%) of the company's admitted assets."**

Page 35, delete lines 34 through 39.

(Reference is to HB 1150 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 13, nays 0.

FRY, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred House Bill 1151, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 2. IC 3-11-4-2, AS AMENDED BY P.L.126-2002, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A voter who wants to vote by absentee ballot must apply to the county election board for an official absentee ballot. **Except as provided in subsection (b), the voter must sign the absentee ballot application.**

(b) **If a voter with disabilities is unable to sign the absentee ballot application and the voter has not designated an individual to serve as attorney in fact for the voter, the county election board may designate an individual to sign the application on behalf of the voter.** If an individual applies for an absentee ballot as the properly authorized attorney in fact for a voter, the attorney in fact must attach a copy of the power of attorney to the application.

(c) **A person who assists an individual in completing an absentee ballot application shall state the following information on the application:**

**(1) The full name, residence and mailing address, and daytime and evening telephone numbers (if any) of the individual submitting the application.**

**(2) The date and location at which this assistance was provided.**

**(3) That the individual has no knowledge or reason to believe that the individual submitting the application:**

**(A) is ineligible to vote or ineligible to cast an absentee ballot; or**

**(B) did not properly complete and sign the application.**

(d) **A person who receives a completed absentee ballot application from the individual who has applied for the absentee ballot shall file the application with the appropriate county election board not later than:**

**(1) noon seven (7) days after the individual receives the application; or**

**(2) the deadline set by Indiana law for filing the application with the board;**

**whichever occurs first.**

(e) **An individual filing an absentee ballot application received from another individual must sign an affidavit at the time of filing the application. The affidavit must be in a form prescribed by the commission. The form must include the following:**

**(1) A statement of the full name, residence and mailing address, and daytime and evening telephone numbers (if any) of the individual submitting the application.**

**(2) A statement that the individual filing the affidavit has complied with the Indiana laws governing the submission of absentee ballot applications.**

**(3) A statement that the individual has no knowledge or reason to believe that the individual whose application is to be filed:**

**(A) is ineligible to vote or to cast an absentee ballot; or**

**(B) did not properly complete and sign the application.**

**(4) A statement that the individual is executing the affidavit under the penalties of perjury.**

**(5) A statement setting forth the penalties for perjury.**

(f) **The county election board shall record the date and time of the filing of the affidavit and provide the individual with a file stamped copy of the affidavit without collecting any copying fee.**

SECTION 3. IC 3-11-4-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.1. (a) The commission shall prescribe the form of an application for an absentee ballot.

(b) **This subsection does not apply to the form for an absentee ballot application to be submitted by an absent uniformed services voter or overseas voter which contains a standardized oath for those voters. The form of the application for an absentee ballot must:**

**(1) require the applicant to swear to or affirm under the penalties of perjury that all the information set forth on the**

**application is true to the best of the applicant's knowledge and belief;**

**(2) require a person who assisted with the completion of the application to swear to or affirm under the penalties of perjury the statements set forth in section 2(c) of this chapter; and**

**(3) set forth the penalties for perjury.**

(c) The form prescribed by the commission shall require that a voter who:

(1) requests an absentee ballot; and

(2) is eligible to vote in the precinct under IC 3-10-11 or IC 3-10-12;

must include the affidavit required by IC 3-10-11 or a written affirmation described in IC 3-10-12.

SECTION 4. IC 3-11-4-17.5, AS AMENDED BY P.L.209-2003, SECTION 114, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.5. (a) Upon receiving an application for an absentee ballot, the county election board **(or the absentee voter board in the office of the circuit court clerk)** shall determine if:

(1) the applicant is a voter of the precinct in which the applicant resides, according to the records of the county voter registration office;

(2) the information set forth on the application appears to be true; and

(3) the application has been completed and filed in accordance with Indiana and federal law.

If the members of the absentee voter board are unable to agree about any of the determinations described in subdivisions (1) through (3), the issue shall be referred to the county election board for determination. The members of the absentee voter board or the county election board may compare the voter's signature on the application with the voter's signature on the voter's registration record to make a determination under this subsection.

(b) If:

(1) the applicant is not a voter of the precinct according to the registration record; or if

(2) the application as completed and filed:

(A) contains a false statement; or

(B) does not otherwise comply with ~~this chapter~~; **Indiana or federal law;**

**as alleged under section 18.5 of this chapter,** the county election board shall deny the application.

~~(b) (c)~~ This subsection applies ~~after December 31, 2003~~, to an absentee ballot application submitted by an absent uniformed services voter or an overseas voter. In accordance with 42 U.S.C. 1973ff-1(d), if the application is denied, the county election board shall provide the voter with the reasons for the denial of the application. Unless the voter is present when the board denies the application, the board shall send a written notice stating the reasons for the denial to the voter. The notice must be sent:

(1) not later than forty-eight (48) hours after the application is denied; and

(2) to the voter at the address at which the voter requested that the absentee ballot be mailed.

~~(c)~~ This subsection applies ~~after December 31, 2003~~.

(d) If the county election board determines that the applicant is a voter of the precinct under subsection (a), the board shall then determine whether:

(1) the applicant was required to file any additional documentation under IC 3-7-33-4.5; and

(2) the applicant has filed this documentation according to the records of the county voter registration office.

If the applicant has not filed the required documentation, the county election board shall approve the application if the application otherwise complies with this chapter. The board shall add a notation to the application and to the record compiled under section 17 of this chapter indicating that the applicant will be required to provide additional documentation to the county voter registration office under IC 3-7-33-4.5 before the absentee ballot may be counted.

~~(d) (e)~~ If the applicant:

(1) is a voter of the precinct according to the registration record;

(2) states on the application that the applicant resides at an address that is within the same precinct but is not the same address shown on the registration record; and

(3) after December 31, 2005, provides a voter identification number on the application to permit transfer of registration under IC 3-7-13-13;

the county election board shall direct the county voter registration office to transfer the applicant's voter registration address to the address within the precinct shown on the application. The applicant's application for an absentee ballot shall be approved if the applicant is otherwise eligible to receive the ballot under this chapter."

Page 3, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 6. IC 3-11-4-18.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 18.5. (a) Upon receipt of an absentee ballot application, a member of the county election board or a member of an absentee voter board may file an affidavit with the county election board alleging that the application:**

**(1) is not submitted by a voter of the precinct;**

**(2) contains a false statement; or**

**(3) has not been executed or filed in accordance with Indiana or federal law.**

**(b) The affidavit must be in a form prescribed by the commission and state the following:**

**(1) The name and title of the individual filing the affidavit.**

**(2) A brief statement of the facts known or believed by the individual regarding why:**

**(A) the applicant is not a voter of the precinct;**

**(B) the application contains a false statement; or**

**(C) the application has not been executed or filed in accordance with Indiana or federal law.**

**(3) That the individual is executing the affidavit under the penalties of perjury.**

**(4) The penalties for perjury.**

**(c) Upon the filing of the affidavit, the approval or denial of the application shall be referred to the county election board, which shall promptly conduct a hearing on the matter.**

**(d) The county election board may act under IC 3-6-5-31 to refer the matter to the appropriate prosecuting attorney.**

SECTION 7. IC 3-11-4-21, AS AMENDED BY P.L.209-2003, SECTION 117, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. (a) On the other side of the envelope required by section 20 of this chapter shall be printed an affidavit in conformity with 42 U.S.C. 1973ff-1(b), providing that the voter affirms under penalty of perjury that the following information is true:

(1) The name of the precinct and township (or ward and city or town).

(2) That the voter is:

(A) a resident of; or

(B) entitled under IC 3-10-11 or IC 3-10-12 to vote in; the precinct.

(3) The voter's complete residence address, including the name of the city or town and county.

(4) That the voter is entitled to vote in the precinct, the type of election to be held, and the date of the election.

(5) That:

(A) the voter has personally marked the enclosed ballot or ballots in secret and has enclosed them in this envelope and sealed them without exhibiting them to any other person;

(B) the voter personally marked the enclosed ballot or ballots, enclosed them in this envelope, and sealed them with the assistance of an individual whose name is listed on the envelope and who affirms under penalty of perjury that the voter was not coerced or improperly influenced by the individual assisting the voter or any other person, in a manner prohibited by state or federal law, to cast the ballot for or against any candidate, political party, or public question; or

(C) as the properly authorized attorney in fact for the undersigned under IC 30-5-5-14, the attorney in fact affirms the voter personally marked the enclosed ballot or ballots in

secret and enclosed them in this envelope and sealed them without exhibiting them to the attorney in fact or to any other person.

(6) The date and the voter's signature.

(b) If the affidavit is signed by an attorney in fact, the name of the attorney in fact must be indicated.

(c) A guardian or conservator of an individual may not sign an affidavit for the individual under this section unless the guardian or conservator also holds a power of attorney authorizing the guardian or conservator to sign the affidavit.

**(d) The side of the envelope containing this affidavit must also set forth the penalties for perjury."**

Page 4, between lines 20 and 21, begin a new paragraph and insert:

**"(c) If a voter receives an absentee ballot by mail, the voter shall personally mark the ballot in secret and seal the marked ballot inside the envelope provided by the county election board for that purpose. The voter shall then deposit the sealed envelope in the United States mail for delivery to the county election board or may authorize a member of the voter's household or the individual designated as the voter's attorney in fact to deposit the envelope in the United States mail."**

Page 4, line 21, strike "(c)" and insert "(d)".

Page 4, after line 25 begin a new paragraph and insert:

**"SECTION 9. IC 3-11-10-25, AS AMENDED BY P.L.209-2003, SECTION 146, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. (a) A voter who votes by absentee ballot because of:**

**(1) illness or injury; or**

**(2) caring for a confined person at a private residence; and who is within the county on election day may vote before an absentee voter board or by mail.**

**(b) If requested by a voter described in subsection (a) or by a voter with disabilities whose precinct is not accessible to voters with disabilities, an absentee voter board shall visit the voter's place of confinement, the residence of the voter with disabilities, or the private residence:**

**(1) during the regular office hours of the circuit court clerk;**

**(2) at a time agreed to by the board and the voter;**

**(3) on any of the twelve (12) days immediately before election day; and**

**(4) only once before an election, unless:**

**(A) the confined voter is unavailable at the time of the board's first visit due to a medical emergency; or**

**(B) the board, in its discretion, decides to make an additional visit.**

**(c) This subsection applies to a voter confined due to illness or injury. An absentee voter board may not be denied access to the voter's place of confinement if the board is present at the place of confinement at a time:**

**(1) agreed to by the board and the voter; and**

**(2) during the regular office hours of the circuit court clerk. A person who knowingly violates this subsection commits obstruction or interference with an election officer in the discharge of the officer's duty, a violation of IC 3-14-3-4.**

**(d) The county election board, by unanimous vote of the board's entire membership, may authorize an absentee voter board to visit a voter who is confined due to illness or injury and will be outside of the county on election day in accordance with the procedures set forth in subsection (b).**

**(e) This subsection applies after December 31, 2005. As provided by 42 U.S.C. 15481, a voter casting an absentee ballot under this section must be:**

**(1) permitted to verify in a private and independent manner the votes selected by the voter before the ballot is cast and counted;**

**(2) provided with the opportunity to change the ballot or correct any error in a private and independent manner before the ballot is cast and counted, including the opportunity to receive a replacement ballot if the voter is otherwise unable to change or correct the ballot; and**

**(3) notified before the ballot is cast regarding the effect of casting multiple votes for the office and provided an opportunity to correct the ballot before the ballot is cast and counted.**

**(f) This subsection applies after December 31, 2005. As provided by 42 U.S.C. 15481, when an absentee ballot is provided under this section, the board must also provide the voter with:**

**(1) information concerning the effect of casting multiple votes for an office; and**

**(2) instructions on how to correct the ballot before the ballot is cast and counted, including the issuance of replacement ballots.**

**(g) This subsection applies to a voter who applies to vote an absentee ballot by mail. The county election board shall include a copy of the Absentee Voter's Bill of Rights with any absentee ballot mailed to the voter. The Absentee Voter's Bill of Rights must be in a form prescribed by the commission and include the following:**

**(1) A statement summarizing the rights and responsibilities of the voter when casting and returning the absentee ballot.**

**(2) A summary of Indiana and federal laws concerning providing assistance to the voter, completion of the ballot in secret, the intimidation of voters, and the return of the absentee ballot to the county election board.**

**(3) Information concerning how to report violations of the absentee ballot and election laws.**

**SECTION 10. IC 3-14-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. A person who recklessly writes the name of a voter on an affidavit of registration without being personally acquainted with the voter and knowing the voter to be the person who the voter represents the voter to be commits a Class A misdemeanor: knowingly does any of the following commits a Class D felony:**

**(1) Conspires with an individual for the purpose of encouraging the individual to submit a false application for registration.**

**(2) Conspires with an individual for the purpose of encouraging the individual to vote illegally.**

**(3) Pays or offers to pay an individual for doing any of the following:**

**(A) Applying for an absentee ballot.**

**(B) Casting an absentee ballot.**

**(C) Registering to vote.**

**(D) Voting.**

**(4) Accepts the payment of any property for doing any of the following:**

**(A) Applying for an absentee ballot.**

**(B) Casting an absentee ballot.**

**(C) Registering to vote.**

**(D) Voting.**

**SECTION 11. IC 3-14-2-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. A person who does either of the following, knowing that an individual is ineligible to register to vote or to vote, commits absentee ballot fraud, a Class D felony:**

**(1) Solicits the individual to complete an absentee ballot application.**

**(2) Solicits the individual to submit an absentee ballot application to a county election board.**

**SECTION 12. IC 3-14-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. A person who:**

**(1) subscribes the name of another person to an affidavit of registration or application for an absentee ballot knowing that the application contains a false statement; or**

**(2) subscribes the name of another person to an affidavit of registration or application for an absentee ballot without writing on it the person's own name and address as an attesting witness;**

**commits a Class A misdemeanor: Class D felony.**

**SECTION 13. IC 3-14-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A person who recklessly destroys or fails to deliver an absentee ballot application to the proper officer after the application has been executed in accordance with IC 3-11-4 commits a Class A misdemeanor.**

**(b) A person who recklessly destroys or fails to file or deliver to the proper officer a registration affidavit or form of registration after**



it the affidavit or form has been executed commits a Class A misdemeanor.

SECTION 14. IC 3-14-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 13. A person who knowingly hires or solicits another person

(1) to come into Indiana; or

(2) to go from one precinct into another a precinct

for the purpose of voting at an election at the precinct when the person hired or solicited is not a voter in Indiana or the precinct commits a Class D felony.

SECTION 15. IC 3-14-2-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. A member of the commission, an employee or agent of the commission, election division, or a member, an employee, or an agent of a county election board who knowingly delivers a ballot to a person except in the manner prescribed by this title commits a Class D felony.

SECTION 16. IC 3-14-2-16, AS AMENDED BY P.L.38-1999, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. A person who knowingly does any of the following commits a Class D felony:

(1) Applies for or receives a ballot in a precinct other than that precinct in which the person is entitled to vote.

(2) Except when receiving assistance under IC 3-11-9, shows a ballot after it is marked to another person in such a way as to reveal the contents of it or the name of a candidate for whom the person has voted.

(3) Except when offering assistance requested by a voter in accordance with IC 3-11-9, examines a ballot that a voter has prepared for voting or solicits the voter to show the ballot.

(4) Receives from a voter a ballot prepared by the voter for voting, except:

(A) the inspector;

(B) a member of the precinct election board temporarily acting for the inspector;

(C) a member of a county election board or an absentee voter board acting under IC 3-11-10; or

(D) a member of the voter's household or an individual designated as attorney in fact for the voter, or an employee of the United States Postal Service, when delivering an envelope containing an absentee ballot under IC 3-11-10-1.

(5) Receives a ballot from a person other than one of the poll clerks or authorized assistant poll clerks.

(6) Delivers a ballot to a voter to be voted, unless the person is:

(A) a poll clerk or authorized assistant poll clerk; or

(B) a member of a county election board or an absentee voter board acting under IC 3-11-10.

(7) Delivers a ballot (other than an absentee ballot) to an inspector that is not the ballot the voter receives from the poll clerk or assistant poll clerk.

(8) Delivers an absentee ballot to a team of absentee ballot counters appointed under IC 3-11.5-4-22, a county election board, a circuit court clerk, or an absentee voting board under IC 3-11-10 that is not the ballot cast by the absentee voter.

(9) Delivers an absentee ballot prepared by the voter for voting to a county election board, except for:

(A) the inspector;

(B) a member of the precinct election board temporarily acting for the inspector;

(C) a member of a county election board or an absentee voter board acting under IC 3-11-10; or

(D) a member of the voter's household or an individual designated as attorney in fact for the voter, or an employee of the United States Postal Service, when mailing an envelope containing an absentee ballot under IC 3-11-10-1.

(10) Possesses an unmarked absentee ballot, unless the person is authorized to possess the absentee ballot under this title as any of the following:

(A) A printer.

(B) A county election board member.

(C) An absentee voter board member.

(D) An employee of the United States Postal Service when delivering an envelope containing an absentee ballot.

(E) An individual authorized to deliver an absentee ballot in a sealed envelope under IC 3-11-10-24.

(F) An absentee ballot counter under IC 3-11.5.

(G) A provisional ballot counter.

(H) A precinct election officer.

(I) The voter who applied for the absentee ballot.

(11) Completes or signs an absentee ballot application for a voter, or assists a voter in completing an absentee ballot application in violation of IC 3-11.

SECTION 17. IC 3-14-2-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. A voter who knowingly:

(1) does anything to enable any other person to see or know for what ticket, candidates, or public questions the voter has voted on a voting machine; system; or

(2) moves into a position, or does any other thing, to enable the voter to see or know for what ticket, candidates, or public questions any other voter votes on a voting machine; system;

commits a Class D felony.

SECTION 18. IC 3-14-2-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 24. A person who:

(1) takes a ballot legally deposited out of a ballot box or out of a voting system for the purpose of destroying it the ballot or substituting another ballot in its place;

(2) destroys or misplaces a ballot with the intent to substitute another ballot for it or with the intent to prevent it from being counted; or

(3) knowingly enters upon the poll books the name of a person who has not legally voted or knowingly tallies a vote for a candidate or on a public question not voted for by the ballot;

commits a Class D felony.

SECTION 19. IC 3-14-2-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26. A person who:

(1) during the progress of an election or within the time for preparation required under this title, knowingly breaks open or violates the seal or lock of a ballot box, envelope, container, or bag, or voting system component in which ballots have been deposited;

(2) knowingly obtains a ballot box, envelope, container, or bag, or voting system component that contains ballots and cancels, withholds, or destroys a ballot;

(3) knowingly increases or decreases the number of ballots legally deposited in a ballot box, envelope, container, or bag, or voting system component; or

(4) knowingly makes a fraudulent erasure or alteration on a tally sheet, poll book, list of voters, or election return deposited in a ballot box, envelope, or bag, or voting system component;

commits a Class D felony.

SECTION 20. IC 3-14-2-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. A person who knowingly inspects a voting machine or electronic voting system under IC 3-12-4-18 without obtaining authorization from the state recount commission to conduct the inspection commits a Class D felony.

SECTION 21. IC 3-14-3-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.5. A person who knowingly does any of the following commits a Class D felony:

(1) Procures or submits voter registration applications known by the person to be materially false, fictitious, or fraudulent.

(2) Procures, casts, or tabulates ballots known by the person to be materially false, fictitious, or fraudulent.

SECTION 22. IC 3-14-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. An inspector or poll clerk in a precinct who, for the purpose of:

(1) deceiving a voter;

(2) causing it to be doubtful for what ticket, candidate, or public question a vote is cast; or

(3) causing it to appear that votes cast for one ticket, candidate, or public question were cast for another ticket, candidate, or



public question;  
removes, changes, or mutilates a ~~ballot label on~~ a voting machine system or any part thereof of a voting system commits a Class D felony.

SECTION 23. IC 3-14-3-16, AS AMENDED BY P.L.66-2003, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) As used in this section, "electioneering" includes expressing support or opposition to any candidate or political party or expressing approval or disapproval of any public question in any manner that could reasonably be expected to convey that support or opposition to another individual.

(b) A person who knowingly does any electioneering:

(1) on election day within:

(A) the polls; or

~~(B) fifty (50) feet of the entrance to the polls; or~~

**(B) the chute;**

(2) within an area in the office of the circuit court clerk used by an absentee voter board to permit an individual to cast an absentee ballot; or

**(3) in the presence of a voter whom the person knows possesses an absentee ballot provided to the voter in accordance with Indiana law;**

commits a Class A misdemeanor.

SECTION 24. IC 3-14-3-18, AS AMENDED BY P.L.176-1999, SECTION 118, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) As used in this section, "candidate" includes an individual whom the person knows is considering becoming a candidate.

(b) A person who, for the purpose of influencing a voter or candidate, **does any of the following commits a Class D felony:**

(1) Seeks to enforce the payment of a debt by force or threat of force.

(2) Ejects or threatens to eject the voter or candidate from a house the voter or candidate occupies.

(3) Begins a criminal prosecution. ~~or~~

(4) Damages the business or trade of the voter or candidate.

commits a Class D felony:

**(5) Communicates a threat to commit a forcible felony (as defined in IC 35-41-1-11) against a voter or a candidate with the intent that the voter or candidate:**

**(A) engage in conduct against the voter's or candidate's will; or**

**(B) be placed in fear of retaliation for a prior lawful act as a voter or a candidate.**

SECTION 25. IC 3-14-3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. A person who, for the purpose of inducing or procuring another person to:

**(1) cast an absentee ballot; or**

**(2) vote or refrain from voting for or against a candidate or for or against a public question at an election or political convention;**

gives, offers, or promises to any person any money or other property commits a Class D felony.

SECTION 26. IC 3-14-3-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. A person who, for the purpose of inducing or procuring a voter to:

**(1) cast an absentee ballot; or**

**(2) vote or refrain from voting for or against a candidate or for or against a public question at an election or political convention;**

receives, accepts, requests, or solicits from any person any money or other property commits a Class D felony.

SECTION 27. IC 3-14-3-21.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21.5. A person who knowingly or intentionally intimidates, threatens, or coerces an individual for:

**(1) voting or attempting to vote; or**

**(2) exercising any power or duty under this title concerning registration or voting;**

commits voter intimidation, a Class D felony.

SECTION 28. IC 3-14-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) This

section applies during an election whenever a voter makes an affidavit before the inspector in a precinct that a person who has voted is an illegal voter in the precinct.

(b) Immediately after the close of the polls the inspector shall deliver the affidavit to the **county election board for delivery by the prosecuting attorney for the county who to the grand jury under section 2 of this chapter. The prosecuting attorney for the county shall:**

(1) proceed as if the affidavit had been made before the prosecuting attorney; and

(2) **notify ensure that the grand jury notifies** the NVRA official **under section 2 of this chapter** if a violation of NVRA appears to have occurred.

SECTION 29. IC 3-14-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Each precinct election board shall, at the close of the polls, place all affidavits prescribed by this title for use on election day to determine the eligibility of a precinct election officer (or a person who wishes to cast a ballot) in a strong paper bag or envelope and securely seal it. Each member shall endorse that member's name on the back of the bag or envelope.

(b) The inspector and judge of the opposite political party shall deliver the **sealed** bag or envelope to the county election board. ~~whose duty it is to~~ **The county election board shall do the following:**

**(1) Remove the affidavits from the bag or envelope.**

**(2) Mail a copy of each affidavit to the secretary of state.**

**(3) Replace the affidavits within the bag or envelope.**

**(4) Reseal the bag or envelope with the endorsement of the name of each county election board member on the back of the bag or envelope.**

**(5) Carefully preserve it the resealed bag or envelope** and deliver it, with the **county election board's** seal unbroken, to the foreman of the grand jury when next in session.

(c) The grand jury shall inquire into the truth or falsity of the affidavits, and the court having jurisdiction over the grand jury shall specially charge the jury as to its duties under this section.

(d) The grand jury shall file a report of the result of its inquiry with:

(1) the court; and

(2) the NVRA official if a violation of NVRA appears to have occurred.

SECTION 30. IC 35-44-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) A person who:

(1) confers, offers, or agrees to confer on a public servant, either before or after the public servant becomes appointed, elected, or qualified, any property except property the public servant is authorized by law to accept, with intent to control the performance of an act related to the employment or function of the public servant;

(2) being a public servant, solicits, accepts, or agrees to accept, either before or after ~~he the person~~ becomes appointed, elected, or qualified, any property, except property ~~he the person~~ is authorized by law to accept, with intent to control the performance of an act related to ~~his the person's~~ employment or function as a public servant;

(3) confers, offers, or agrees to confer on a person any property, except property the person is authorized by law to accept, with intent to cause that person to control the performance of an act related to the employment or function of a public servant;

(4) solicits, accepts, or agrees to accept any property, except property ~~he the person~~ is authorized by law to accept, with intent to control the performance of an act related to the employment or function of a public servant;

(5) confers, offers, or agrees to confer on a person participating or officiating in, or connected with, an athletic contest, sporting event, or exhibition, with intent that the person will fail to use ~~his the person's~~ best efforts in connection with that contest, event, or exhibition;

(6) being a person participating or officiating in, or connected with, an athletic contest, sporting event, or exhibition, solicits, accepts, or agrees to accept any property with intent that ~~he the~~

person will fail to use ~~his~~ **the person's** best efforts in connection with that contest, event, or exhibition;  
 (7) being a witness or informant in an official proceeding or investigation, solicits, accepts, or agrees to accept any property, with intent to:

- (i) **(A)** withhold any testimony, information, document, or thing;
- (ii) **(B)** avoid legal process summoning ~~him~~ **the person** to testify or supply evidence; or
- (iii) **(C)** absent ~~himself~~ **the person** from the proceeding or investigation to which ~~he~~ **the person** has been legally summoned; ~~or~~

(8) confers, offers, or agrees to confer any property on a witness or informant in an official proceeding or investigation, with intent that the witness or informant:

- (i) **(A)** withhold any testimony, information, document, or thing;
- (ii) **(B)** avoid legal process summoning the witness or informant to testify or supply evidence; or
- (iii) **(C)** absent ~~himself~~ **the person** from any proceeding or investigation to which the witness or informant has been legally summoned; ~~or~~

**(9) confers, offers or agrees to confer any property on an individual for:**

- (A) casting a ballot or refraining from casting a ballot; or**
- (B) voting for a political party, for a candidate, or for or against a public question;**

**in an election described in IC 3-5-1-2, or at a convention of a political party authorized under IC 3;**

commits bribery, a Class C felony.

(b) It is no defense that the person whom the accused person sought to control was not qualified to act in the desired way.

**SECTION 31. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 3-5-2 apply throughout this SECTION.**

**(b) Not later than March 31, 2004, the commission shall act under IC 3-5-4-8 to prescribe absentee ballot application forms that comply with IC 3-11, as amended by this act.**

**(c) This subsection does not apply to an absentee ballot application form prescribed by the commission for use by an absent uniformed services voter or overseas voter. An absentee ballot application form prescribed by the commission before April 1, 2004, may not be used or accepted by a county election board after March 31, 2004.**

**(d) This SECTION expires January 1, 2005.**

**SECTION 32. An emergency is declared for this act."**

Renumber all SECTIONS consecutively.

(Reference is to HB 1151 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

MAHERN, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1163, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 42, delete "support;" and insert "**support, if there is a child of both parties to the marriage;**".

Page 4, line 1, delete "custody;" and insert "**custody, if there is a child of both parties to the marriage;**".

Page 4, line 2, delete "time;" and insert "**time, if there is a child of both parties to the marriage;**".

Page 4, line 4, delete "law;" and insert "**law.**".

Page 4, delete line 5.

Page 4, line 19, delete "start of the" and insert "**filing of the petition or action.**".

Page 4, delete line 20.

Page 5, line 6, after "(2)" insert "**an order for**".

Page 5, line 31, delete "arbitration under this chapter begins," and insert "**the petition or action is filed,**".

Page 6, line 8, after "arbitration" insert "**following the entry of judgment in the**".

Page 6, delete lines 21 through 22.

Page 6, line 23, delete "13." and insert "**12.**".

(Reference is to HB 1163 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

L. LAWSON, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1189, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 7, delete "and".

Page 1, line 9, delete "." and insert "**; and**

**(4) used or is intended to be used to store contraband (as defined in IC 11-11-2-1).**".

Page 2, delete lines 4 through 10.

Page 2, line 11, delete "3." and insert "**2.**".

(Reference is to HB 1189 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 6, nays 3.

DVORAK, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Interstate and International Cooperation, to which was referred House Bill 1199, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 7, nays 5.

DENBO, Vice Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1202, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

**SECTION 1. IC 16-19-10-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The state department shall support the goals and objectives of the state's counterterrorism programs by collecting data related to:**

**(1) symptoms; and**

**(2) health syndromes;**

**from outbreaks or suspected outbreaks of diseases or other health conditions that may be a danger to public health.**

**(b) A health care provider or other entity that collects data described in subsection (a) shall report to the state department in accordance with rules adopted under section 5 of this chapter.**

**(c) The state department shall establish reporting, monitoring, and prevention procedures for data collected under this section.**

**(d) Data:**

**(1) collected under subsection (a); or**

**(2) reported under subsection (b);**

**from which the identity of an individual may be ascertained are confidential.**

**SECTION 2. IC 20-8.1-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) A school corporation may develop and implement a system of notifying the parent or guardian of a student when:**

**(1) the student fails to attend school; and**

**(2) the student does not have an excused absence for that day.**

**(b) A school corporation or an accredited nonpublic school shall report to the local health department the percentage of student absences above a threshold determined by the department by rule adopted under IC 4-22-2.**

**SECTION 3. IC 35-48-2-10, AS AMENDED BY P.L.288-2001,**

SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 10. (a) The controlled substances listed in this section are included in schedule IV.

(b) Narcotic drugs. Unless specifically excepted in a rule adopted by the board or unless listed in another schedule, any material, compound, mixture, or preparation containing any of the following narcotic drugs, or their salts calculated as the free anhydrous base or alkaloid, in the following limited quantities:

(1) Not more than 1 milligram of difenoxin (9618) and not less than 25 micrograms of atropine sulfate per dosage unit.

(2) Dextropropoxyphene (alpha-(+)-4-dimethylamino-1,2-diphenyl-3-methyl-2-propionoxybutane (9273).

(c) Depressants. Unless specifically excepted in a rule adopted by the board or unless listed in another schedule, any material, compound, mixture, or preparation which contains any quantity of the following substances, including its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation:

Alprazolam (2882).

Barbital (2145).

Bromazepam (2748).

Camazepam (2749).

**Carisoprodol.**

Chloral betaine (2460).

Chloral hydrate (2465).

Chlordiazepoxide (2744).

Clobazam (2751).

Clonazepam (2737).

Clorazepate (2768).

Clotiazepam (2752).

Cloxacolam (2753).

Delorazepam (2754).

Diazepam (2765).

Estazolam (2756).

Ethchlorvynol (2540).

Ethinamate (2545).

Ethyl loflazepam (2758).

Fludiazepam (2759).

Flunitrazepam (2763).

Flurazepam (2767).

Halazepam (2762).

Haloxazolam (2771).

Ketazolam (2772).

Loprazolam (2773).

Lorazepam (2885).

Lormetazepam (2774).

Mebutamate (2800).

Medazepam (2836).

Meprobamate (2820).

Methohexital (2264).

Methylphenobarbital (mephobarbital) (2250).

Midazolam (2884).

Nimetazepam (2837).

Nitrazepam (2834).

Nordiazepam (2838).

Oxazepam (2835).

Oxazolam (2839).

Paraldehyde (2585).

Petrichloral (2591).

Phenobarbital (2285).

Pinazepam (2883).

Prazepam (2764).

Quazepam (2881).

Temazepam (2925).

Tetrazepam (2886).

Triazolam (2887).

Zolpidem (Ambien) (2783).

(d) Fenfluramine. Any material, compound, mixture, or preparation which contains any quantity of the following substances, including its salts, isomers (whether optical, position, or geometric), and salts of such isomers, whenever the existence of such salts, isomers, and salts of isomers is possible.

Fenfluramine (1670).

(e) Stimulants. Unless specifically excepted in a rule adopted by the board or unless listed in another schedule, any material, compound, mixture, or preparation which contains any quantity of the following substances having a stimulant effect on the central nervous system, including its salts, isomers (whether optical, position, or geometric), and salts of such isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation:

(1) Diethylpropion (1608).

(2) Mazindol (1605).

(3) Phentermine (1640).

(4) Pemoline (including organometallic complexes and chelates thereof) (1530).

(5) Pipradrol (1750).

(6) SPA ((-)-1-dimethylamino-1,2-diphenylethane (1635).

(f) Other substances. Unless specifically excepted or unless listed in another schedule, any material, compound, mixture, or preparation which contains any quantity of the following substances including its salts:

(1) Pentazocine (9709).

(g) The board may except by rule any compound, mixture, or preparation containing any depressant substance listed in subsection (b), (c), (d), (e), or (f) from the application of any part of this article if the compound, mixture, or preparation contains one (1) or more active medicinal ingredients not having a depressant effect on the central nervous system, and if the admixtures are included therein in combinations, quantity, proportion, or concentration that vitiate the potential for abuse of the substances which have a depressant effect on the central nervous system.

SECTION 4. [EFFECTIVE JULY 1, 2004] **IC 35-48-2-10, as amended by this act, applies only to offenses committed after June 30, 2004.**

SECTION 5. **An emergency is declared for this act.**

(Reference is to HB 1202 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

C. BROWN, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred House Bill 1203, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 14-8-2-117.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 117.3. "Governmental entity", for the purposes of IC 14-22-10-2, ~~and~~ IC 14-22-10-2.5, **and IC 14-34-19-15**, has the meaning set forth in IC 14-22-10-2(a)."

Page 4, after line 33, begin a new paragraph and insert:

"SECTION 6. IC 14-34-19-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 15. (a) This section applies to the following:**

**(1) When the department is considering a mine land reclamation project under IC 14-34-1-2 or 312 IAC 25-2-3 that is:**

**(A) at least fifty percent (50%) funded by funds appropriated from a governmental entity that finances the construction through either the entity's budget or general revenue bonds; or**

**(B) less than fifty percent (50%) funded by funds appropriated from a governmental entity that finances the construction through either the entity's budget or general revenue bonds if the construction is an approved reclamation project under Title IV of the federal Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 through 30 U.S.C. 1328) and this**

chapter.

- (2) When the level of funding for the construction will be less than fifty percent (50%) of the total cost because of planned coal extraction.
- (b) The department must make the following determinations:
- (1) The likelihood that coal will be mined under a surface coal mining and reclamation operations permit issued under this article. The determination must consider available information, including the following:
    - (A) Coal reserves from existing mine maps or other sources.
    - (B) Existing environmental conditions.
    - (C) All prior mining activity on or adjacent to the site.
    - (D) Current and historical coal production in the area.
    - (E) Any known or anticipated interest in mining the site.
  - (2) The likelihood that nearby mining activities at the site might create new environmental problems or adversely affect existing environmental problems at the site.
  - (3) The likelihood that nearby mining activities at the site might adversely affect nearby mining activities.
- (c) If a decision is made to proceed with the reclamation project, the department must make the following determinations:
- (1) The limits on any coal refuse, coal waste, or other coal deposits that can be extracted under the exemption under IC 14-34-1-2 and 312 IAC 25-2-3.
  - (2) The delineation of the boundaries of the abandoned mine lands reclamation project.
- (d) The following documentation must be included in the abandoned mine lands reclamation case file:
- (1) Determinations made under subsections (b) and (c).
  - (2) The information taken into account in making the determinations.
  - (3) The names of the persons making the determinations.
- (e) The department must do the following for each project:
- (1) Characterize the site regarding mine drainage, active slide and slide prone areas, erosion and sedimentation, vegetation, toxic materials, and hydrological balance.
  - (2) Ensure that the reclamation project is conducted according to provisions of 30 CFR Subchapter R, this chapter, and applicable procurement provisions to ensure the timely progress and completion of the project.
  - (3) Develop specific site reclamation requirements, including, when appropriate, performance bonds that comply with procurement procedures.
  - (4) Require the contractor conducting the reclamation to provide, before reclamation begins, applicable documents that authorize the extraction of coal and any payment of royalties.
- (f) The contractor must obtain a surface coal mining and reclamation operations permit under this article for any coal extracted beyond the limits of the incidental coal specified in subsection (c)(1)."
- Renumeral all SECTIONS consecutively.  
(Reference is to HB 1203 as introduced.)  
and when so amended that said bill do pass.  
Committee Vote: yeas 12, nays 0.

BISCHOFF, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1204, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.  
Committee Vote: yeas 14, nays 0.

MOSES, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1218, has had the same under consideration and begs leave to report the same back to the House with the

recommendation that said bill do pass.

Committee Vote: yeas 13, nays 1.

MOSES, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred House Bill 1221, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 2, delete "A self-insurance program established under section 7(b) of" and insert "**When determining benefits under a health care plan, the state personnel department shall consider providing coverage for the diagnosis and treatment of infertility in a:**

**(1) self-insurance program established under section 7(b) of this chapter; and**

**(2) contract with a prepaid health care delivery plan that is entered into or renewed under section 7(c) of this chapter."**

Page 2, delete lines 3 through 9.

Page 2, line 10, delete "(f)" and insert "(e)".

Page 2, line 10, delete "(g)" and (i)," and insert "(f and (h))."

Page 2, line 11, delete "provided to a" and insert "**considered**".

Page 2, line 12, delete "covered individual under this section".

Page 2, line 23, delete "(g)" and insert "(f)".

Page 2, line 23, delete "(i)," and insert "(h)".

Page 2, line 23, delete "a health care plan is required under" and insert "**if the state personnel department elects**".

Page 2, line 24, delete "this chapter".

Page 2, line 26, delete "for a covered individual" and insert "**the coverage applies**".

Page 2, line 32, delete "(h);" and insert "(g);".

Page 2, line 41, delete "(h) Subsection (g)(2)" and insert "**(g) If the state personnel department elects to cover procedures for in vitro fertilization, gamete intrafallopian tube transfer, or zygote intrafallopian tube transfer, subsection (f)(2)**".

Page 3, line 4, delete "(i) A health care plan may not cover" and insert "**(h) The state personnel department is not required to provide coverage for**".

Page 3, line 5, delete "(f)" and insert "(e)".

Page 3, line 36, delete "provides" and insert "**offers**".

Page 3, line 38, after "require" insert "**an offer of**".

Page 4, line 5, delete "provided" and insert "**offered**".

Page 4, line 20, after "if" delete ":" and insert "**the insured individual accepts an offer of coverage and:**".

Page 4, line 36, after "has" insert "**accepted an offer of coverage and who has**".

Page 4, line 39, delete "may not cover" and insert "**is not required to offer coverage for**".

Page 5, line 6, delete "provides" and insert "**offers**".

Page 5, line 8, after "require" insert "**an offer of**".

Page 5, line 17, delete "provided" and insert "**offered**".

Page 5, line 33, after "if" delete ":" and insert "**the enrollee accepts an offer of coverage and:**".

Page 6, line 8, after "has" insert "**accepted an offer of coverage and who has**".

Page 6, line 12, delete "may not cover" and insert "**is not required to offer coverage for**".

(Reference is to HB 1221 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 5.

FRY, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1229, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 20, delete "to develop and implement" and insert "**in**

**the development and implementation of".**

Page 3, line 29, after "The" insert **"homeowner protection unit"**.

Page 3, line 30, after "administering the" insert **"homeowner protection unit"**.

Page 3, line 32, after "in the" insert **"homeowner protection unit"**.

Page 3, line 36, after "the" insert **"homeowner protection unit"**.

Page 3, line 37, after "in the" insert **"homeowner protection unit"**.

Page 9, line 18, after "The" insert **"home ownership training"**.

Page 9, line 19, after "administering the" insert **"home ownership training"**.

Page 9, line 21, after "in the" insert **"home ownership training"**.

Page 9, line 25, after "the" insert **"home ownership training"**.

Page 9, line 26, after "in the" insert **"home ownership training"**.

Page 9, line 27, delete "However, if the amount of money".

Page 9, delete lines 28 through 31.

Page 12, delete lines 15 through 23, begin a new paragraph and insert:

**"Sec. 1. This article does not apply to:**

- (1) a loan made or acquired by a person organized or chartered under the laws of this state, any other state, or the United States relating to banks, trust companies, savings associations, saving banks, credit unions, or industrial loan and investment companies; or**
- (2) a loan:**

**(A) that can be purchased by the Federal National Mortgage Association, the Federal Home Loan Mortgage Association, or the Federal Home Loan Bank;**

**(B) to be insured by the United States Department of Housing and Urban Development;**

**(C) to be guaranteed by the United States Department of Veterans Affairs;**

**(D) to be funded by the Indiana housing finance authority; or**

**(E) with a principal amount that exceeds the conforming loan size limit for a single family dwelling as established by the Federal National Mortgage Association."**

Page 13, delete lines 36 through 42

Page 14, delete lines 1 through 15, begin a new paragraph and insert:

**Sec. 7. "Deceptive act" means an act or a practice as part of a consumer credit mortgage transaction involving real property located in Indiana in which a person:**

- (1) knowingly or intentionally makes a material misrepresentation;**
- (2) knowingly or intentionally conceals material information regarding the terms or conditions of the transaction; or**
- (3) knowingly or intentionally consummates the credit mortgage transaction with the knowledge that the borrower will be unable to successfully fulfill the terms or conditions of the mortgage loan based upon the borrower's finances at the time of the consummation.**

Page 14, line 16, delete "9." and insert **"8."**.

Page 14, line 20, delete "10." and insert **"9."**.

Page 14, line 20, after "than" insert **"an open end credit plan or"**

Page 14, line 31, delete "11." and insert **"10."**.

Page 15, delete lines 15 through 38, begin a new paragraph and insert:

**"Sec. 11. (a) Except as provided in subsection (b), "points and fees" means the total of the following:**

**(1) Points and fees (as defined in 12 CFR 226.32(b)(1) on January 1, 2004).**

**(2) All compensation paid directly or indirectly to a mortgage broker, including a broker that originates a loan in the broker's own name.**

**(b) The term does not include the following:**

**(1) Not more than two (2) bona fide discount points.**

**(2) Interest prepaid by the borrower for the month in which the home loan is closed."**

Page 15, line 39, delete "13." and insert **"12."**.

Page 15, line 41, delete "14." and insert **"13."**.

Page 15, line 41, delete "means:" and insert **"means"**.

Page 15, line 42, delete "(1)".

Page 15, run in lines 41 through 42

Page 16, line 1, delete "loan; or" and insert **"loan."**.

Page 16, delete lines 2 through 3.

Page 16, line 4, delete "15." and insert **"14."**.

Page 16, line 21, after "insurance;" insert **"or"**.

Page 16, delete line 22.

Page 16, line 23, delete "(6)" and insert **"(5)"**.

Page 16, delete lines 28 through 38, begin a new paragraph and insert:

**"Sec. 2. (a) A creditor may not replace or consolidate a zero (0) interest rate or other subsidized low rate loan made by a governmental or nonprofit lender with a high cost home loan within the first ten (10) years of the subsidized low rate loan unless the current holder of the loan consents in writing to the refinancing.**

**(b) For purposes of this section, a "subsidized low rate loan" is a loan that carries a current interest rate of at least two (2) percentage points below the current yield on treasury securities with a comparable maturity. If the loan's current interest rate is either a discounted introductory rate or a rate that automatically steps up over time, the fully indexed rate or the fully stepped up rate, as appropriate, should be used instead of the current rate to determine whether a loan is a subsidized low rate loan."**

Page 17, line 1, delete "(a) Notwithstanding IC 24-4.5-3-203.5, a creditor may"

Page 17, delete lines 2 through 25.

Page 17, line 26, delete "(b)".

Page 17, run in lines 1 and 26.

Page 17, line 26, after "payment" insert **"made by a borrower in regards to a home loan"**.

Page 17, line 27, delete "date" and insert **"business day"**.

Page 17, line 32, delete "indebtedness." and insert **"indebtedness without material cause."**

Page 17, delete lines 41 through 42.

Page 18, delete lines 1 through 13.

Page 18, line 14, delete "8." and insert **"7."**.

Page 18, line 19, after "the" insert **"home"**.

Page 18, line 24, delete "9." and insert **"8."**.

Page 19, between lines 9 and 10, begin a new line block indented and insert:

**"(5) A creditor making a high cost home loan may not finance, directly or indirectly, any life or health insurance.**

**Sec. 2. A creditor may not knowingly or intentionally:**

- (1) refinance a high cost home loan by charging points and fees on the part of the proceeds of the new high cost home loan that is used to refinance the existing high cost loan within four (4) years of the origination of the existing high cost home loan; or**
- (2) divide a home loan transaction into multiple transactions with the effect of evading this article. Where multiple transactions are involved, the total points and fees charged in all transactions shall be considered when determining whether the protections of this section apply."**

Page 19, line 10, delete "2." and insert **"3."**.

Page 19, line 21, delete "obligor's" and insert **"borrower's"**.

Page 19, line 22, delete "3. A" and insert **"4. (a) Except as provided in subsection (b), a"**.

Page 19, between lines 25 and 26, begin a new paragraph and insert:

**"(b) This section does not apply to a temporary forbearance that is requested by a borrower regarding a high cost home loan."**

Page 19, line 26, delete "4." and insert **"5."**.

Page 19, line 32, delete "5." and insert **"6."**.

Page 19, line 36, delete "6." and insert **"7."**.

Page 20, line 5, delete "7." and insert **"8."**.

Page 20, line 22, delete "8." and insert **"9."**.

Page 20, line 33, delete "9." and insert **"10."**.

Page 20, line 37, delete "10." and insert **"11."**.

Page 21, between lines 37 and 38, begin a new paragraph and insert:

**"Sec. 12. Without regard to whether a borrower is acting**

individually or on behalf of others similarly situated, a provision of a high cost home loan agreement that:

- (1) requires arbitration of a claim or defense;
- (2) allows a party to require a borrower to assert a claim or defense in a forum that is:

- (A) less convenient;
- (B) more costly; or
- (C) more dilatory;

for the resolution of the dispute than an Indiana court in which the borrower may otherwise bring a claim or defense; or

- (3) limits in any way any claim or defense the borrower may have;

is unconscionable and void."

Page 22, line 35, after "of a" insert "**high cost**".

Page 22, line 37, delete "IC 24-9-3-2" and insert "**IC 24-9-4-2**".

Page 23, delete line 36.

Page 23, line 37, delete "default had not occurred," and insert "**the original loan terms shall be reinstated,**".

Page 23, run in lines 35 and 37.

Page 24, line 15, delete "malicious or" and insert "**malicious.**".

Page 24, delete line 16.

Page 24, delete lines 35 through 40, begin a new paragraph and insert:

"(e) An action under this chapter must be brought within five (5) years after the date that the borrower knew, or by the exercise of reasonable diligence should have known, of the violation of this article."

Page 25, line 11, delete "compliance".

Page 25, line 13, delete "thirty (30)" and insert "**ninety (90)**".

Page 25, line 14, delete "closing, makes:" and insert "**closing:**".

Page 25, line 15, after "(A)" insert "**makes**".

Page 25, line 17, after "(B)" insert "**takes necessary action to make**".

Page 25, line 19, delete "sixty (60)" and insert "**one hundred twenty (120)**".

Page 25, line 21, delete "compliance".

Page 25, line 25, delete "error," and insert "**error of fact or law,**".

Page 25, line 26, delete "For purposes of this".

Page 25, delete lines 27 through 31.

Page 25, line 36, delete "monthly" and insert "**once each calendar quarter**".

Page 26, line 27, delete "that fifteen" and insert "**than ten**".

Page 26, line 28, delete "(\$15,000)" and insert "**(\$10,000)**".

Page 29, delete lines 32 through 42.

Page 30, delete lines 1 through 24.

Renumber all SECTIONS consecutively.

(Reference is to HB 1229 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 3.

L. LAWSON, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions, to which was referred House Bill 1230, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 13 through 22, begin a new paragraph and insert:

"SECTION 2. IC 28-1-11-3.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 3.2. (a) As used in this section, "rights and privileges" means the power:

(1) to:

- (1) (A) create;
- (2) (B) deliver;
- (3) (C) acquire; or
- (4) (D) sell;

a product, a service, or an investment that is available to or offered by; or

- (2) to engage in other activities authorized for;

national banks domiciled in Indiana."

Page 7, line 12, reset in roman "However, the total".

Page 7, reset in roman lines 13 through 14.

Page 7, line 15, reset in roman "have on deposit may not exceed".

Page 7, line 15, after "ten" insert "**twenty**".

Page 7, line 15, reset in roman "percent".

Page 7, line 15, after "(10%)" insert "**(20%)**".

Page 7, line 15, reset in roman "of the total".

Page 7, reset in roman line 16.

Page 8, delete lines 11 through 24, begin a new paragraph and insert:

"SECTION 4. IC 28-7-1-9.2, AS ADDED BY P.L.134-2001, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 9.2. (a) As used in this section, "rights and privileges" means the power:

(1) to:

- (1) (A) create;
- (2) (B) deliver;
- (3) (C) acquire; or
- (4) (D) sell;

a product, a service, or an investment that is available to or offered by; or

- (2) to engage in other activities authorized for;

federal credit unions domiciled in Indiana."

Page 10, line 30, delete "one hundred percent".

Page 10, line 31, delete "(100%)" and insert "**the amount**".

Page 11, line 41, delete "a period of not more than".

Page 13, line 25, delete "an".

Page 13, line 25, delete "procedure" and insert "**procedures**".

Page 14, line 1, delete "an".

Page 14, line 2, delete "procedure" and insert "**procedures**".

Page 14, line 32, after "director" insert "**of the department**".

Page 14, delete lines 38 through 42.

Page 15, delete lines 1 through 5, begin a new paragraph and insert:

"SECTION 12. IC 28-15-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 2. (a) As used in this section, "rights and privileges" means the power:

(1) to:

- (1) (A) create;
- (2) (B) deliver;
- (3) (C) acquire; or
- (4) (D) sell;

a product or service that is available to or offered by; or

- (2) to engage in other activities authorized for;

federal savings associations domiciled in Indiana."

(Reference is to HB 1230 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

BARDON, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1232, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 6, nays 4.

LIGGETT, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1239, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 15, after "confidential." insert "**Beginning July 1, 2004, the sales disclosure form shall not include the phone number or Social Security number of any transferor or transferee.**".

Page 2, line 19, delete "The" and insert "**Subject to section 3(d) of this chapter, the**".

(Reference is to HB 1239 as introduced.)  
and when so amended that said bill do pass.

Committee Vote: yeas 13, nays 0.

MOSES, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred House Bill 1241, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 12, nays 0.

LYTLE, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1249, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 5, between lines 18 and 19, begin a new line block indented and insert:

**"(4) If a public employee retirement fund pays a surviving spouse benefit, whether the member's:**

**(A) former spouse is to be treated as the surviving spouse; and**

**(B) spouse is not to be treated as the surviving spouse; of the member for purposes of the surviving spouse benefit."**

Page 5, line 19, delete "(4)" and insert "(5)".

Page 5, line 20, delete "(5)" and insert "(6)".

Page 5, line 22, delete "(6)" and insert "(7)".

Page 8, line 17, after "payment" insert "**or take any other action**".

Page 8, line 20, delete ";" and insert "**or action**";

Page 8, line 26, after "election" insert "**or take an action**".

Page 8, line 28, after "election" insert "**or action**".

Page 8, line 31, after "election" insert "**or action**".

Page 8, line 32, after "election" insert "**or action**".

Page 8, line 33, delete "." and insert "**or action**".

(Reference is to HB 1249 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

L. LAWSON, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1251, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning prescription drugs.

Delete everything after the enacting clause and insert the following:

**SECTION 1. [EFFECTIVE UPON PASSAGE] (a) The Indiana prescription drug advisory committee is established to:**

**(1) study pharmacy benefit programs and proposals, including programs and proposals in other states;**

**(2) make initial and ongoing recommendations to the governor for programs that address the pharmaceutical costs of low income senior citizens; and**

**(3) review and approve changes to a prescription drug program that is established or implemented under a Medicaid waiver that uses money from the Indiana prescription drug account established by IC 4-12-8-2.**

**(b) The committee consists of eleven (11) members appointed by the governor and four (4) legislative members. Members serving on the committee established by P.L.291-2001, SECTION 81, before its expiration on December 31, 2001, continue to serve.**

The term of each member expires December 31, 2006. The members of the committee appointed by the governor are as follows:

**(1) A physician with a specialty in geriatrics.**

**(2) A pharmacist.**

**(3) A person with expertise in health plan administration.**

**(4) A representative of an area agency on aging.**

**(5) A consumer representative from a senior citizen advocacy organization.**

**(6) A person with expertise in and knowledge of the federal Medicare program.**

**(7) A health care economist.**

**(8) A person representing a pharmaceutical research and manufacturing association.**

**(9) A township trustee.**

**(10) Two (2) other members as appointed by the governor.**

The four (4) legislative members shall serve as nonvoting members. The speaker of the house of representatives and the president pro tempore of the senate shall each appoint two (2) legislative members, who may not be from the same political party, to serve on the committee.

**(c) The governor shall designate a member to serve as chairperson. A vacancy with respect to a member shall be filled in the same manner as the original appointment. Each member is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties. The expenses of the committee shall be paid from the Indiana prescription drug account established by IC 4-12-8-2. The office of the secretary of family and social services shall provide staff for the committee. The committee is a public agency for purposes of IC 5-14-1.5 and IC 5-14-3. The committee is a governing body for purposes of IC 5-14-1.5.**

**(d) The committee shall make program design recommendations to the governor and the office of the secretary of family and social services to coordinate the Indiana prescription drug program administered under IC 12-10-16-3 with the federal Medicare Prescription Drug and Improvement and Modernization Act of 2003, and to ensure that the program does not duplicate benefits provided under the federal law. In making recommendations, the committee shall consider the following:**

**(1) Eligibility criteria, including any changes in income limits.**

**(2) Benefit structure, including determining if the program will assume any of a program recipient's premiums or cost sharing requirements required by federal law.**

**(3) Cost sharing requirements, including whether the program should include a requirement for copayments or premium payments.**

**(4) Marketing and outreach strategies.**

**(5) Administrative structure and delivery systems.**

**(6) Evaluation.**

**(e) The recommendations shall address the following:**

**(1) Cost effectiveness of program design.**

**(2) Strategies to minimize crowd out of private insurance.**

**(3) Reasonable balance between maximum eligibility levels and maximum benefit levels.**

**(4) Feasibility of a health care subsidy program where the amount of the subsidy is based on income.**

**(5) Advisability of entering into contracts with health insurance companies to administer the program.**

**(f) The committee shall submit its recommended changes to the governor and the office of the secretary of family and social services before:**

**(1) July 1, 2004, for program changes related to the Medicare discount program; and**

**(2) September 1, 2005, for program changes related to the part D Medicare drug benefit.**

**(g) This SECTION expires December 31, 2006.**

**SECTION 2. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: P.L.106-2002, SECTION 1; P.L.107-2002, SECTION 35.**

**SECTION 3. An emergency is declared for this act.**

(Reference is to HB 1251 as introduced.)



and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

C. BROWN, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1257, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 10, delete "An" and insert "**The political subdivision**".

Page 2, line 3, delete "An" and insert "**The political subdivision**".

(Reference is to HB 1257 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

LIGGETT, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1271, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles and taxation.

Page 1, delete lines 1 through 17.

Delete page 2.

Page 3, delete lines 1 through 35.

Page 4, line 3, delete "Before January 1, 2005, the" and insert "**The**".

Page 4, delete lines 14 through 42.

Delete pages 5 through 10, begin a new paragraph and insert:

"SECTION 12. IC 6-2.5-6-1, AS AMENDED BY P.L.192-2002(ss), SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. (a) Each person liable for collecting the state gross retail or use tax shall file a return for each calendar month and pay the state gross retail and use taxes that the person collects during that month. A person shall file the person's return for a particular month with the department and make the person's tax payment for that month to the department not more than thirty (30) days after the end of that month, if that person's average monthly liability for collections of state gross retail and use taxes under this section as determined by the department for the preceding calendar year did not exceed ~~one thousand dollars (\$1,000)~~ **two thousand five hundred dollars (\$2,500)**. If a person's average monthly liability for collections of state gross retail and use taxes under this section as determined by the department for the preceding calendar year exceeded ~~one thousand dollars (\$1,000)~~ **two thousand five hundred dollars (\$2,500)**, that person shall file the person's return for a particular month and make the person's tax payment for that month to the department not more than twenty (20) days after the end of that month.

(b) If a person files a combined sales and withholding tax report and either this section or IC 6-3-4-8.1 requires sales or withholding tax reports to be filed and remittances to be made within twenty (20) days after the end of each month, then the person shall file the combined report and remit the sales and withholding taxes due within twenty (20) days after the end of each month.

(c) Instead of the twelve (12) monthly reporting periods required by subsection (a), the department may permit a person to divide a year into a different number of reporting periods. The return and payment for each reporting period is due not more than twenty (20) days after the end of the period.

(d) Instead of the reporting periods required under subsection (a), the department may permit a retail merchant to report and pay the merchant's state gross retail and use taxes for a period covering:

(1) a calendar year, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed ten dollars (\$10);

(2) a calendar half year, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed twenty-five dollars (\$25); or

(3) a calendar quarter, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed seventy-five dollars (\$75).

A retail merchant using a reporting period allowed under this subsection must file the merchant's return and pay the merchant's tax for a reporting period not later than the last day of the month immediately following the close of that reporting period.

(e) If a retail merchant reports the merchant's adjusted gross income tax, or the tax the merchant pays in place of the adjusted gross income tax, over a fiscal year or fiscal quarter not corresponding to the calendar year or calendar quarter, the merchant may, without prior departmental approval, report and pay the merchant's state gross retail and use taxes over the merchant's fiscal period that corresponds to the calendar period the merchant is permitted to use under subsection (d). However, the department may, at any time, require the retail merchant to stop using the fiscal reporting period.

(f) If a retail merchant files a combined sales and withholding tax report, the reporting period for the combined report is the shortest period required under:

(1) this section;

(2) IC 6-3-4-8; or

(3) IC 6-3-4-8.1.

(g) If the department determines that a person's:

(1) estimated monthly gross retail and use tax liability for the current year; or

(2) average monthly gross retail and use tax liability for the preceding year;

exceeds ten thousand dollars (\$10,000), the person shall pay the monthly gross retail and use taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(h) If a person's gross retail and use tax payment is made by electronic funds transfer, the taxpayer is not required to file a monthly gross retail and use tax return. However, the person shall file a quarterly gross retail and use tax return before the twentieth day after the end of each calendar quarter."

Page 11, delete lines 1 through 17.

Page 11, delete lines 22 through 42.

Delete pages 12 through 13.

Page 14, delete lines 1 through 37.

Page 16, delete lines 5 through 42.

Delete pages 17 through 27.

Page 28, delete lines 1 through 31, begin a new paragraph and insert:

"SECTION 52. IC 9-29-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 6. The registration fee for each semitrailer to be used with a tractor licensed under this section is as follows:

(1) Thirty dollars (\$30) for a one (1) year registration.

(2) Sixty dollars (\$60) for a five (5) year registration. However, the five (5) year registration fee shall be reduced by twelve dollars (\$12) for each full year after the initial year of the five (5) year period provided in IC 9-18. However, the reduced fee may not be less than the registration fee for a one (1) year registration.

(3) For a permanent registration, the fee is as follows:

~~(A) sixty-five dollars (\$65). at the time the semitrailer is first registered.~~

~~(B) Two dollars (\$2) annually to renew the registration.~~

SECTION 53. IC 9-18-9-4 IS REPEALED [EFFECTIVE JULY 1, 2004]."

Renumber all SECTIONS consecutively.

(Reference is to HB 1271 as printed January 27, 2004.)

and when so amended that said bill do pass.

Committee Vote: yeas 27, nays 1.

CRAWFORD, Chair

Report adopted.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred House Bill 1273, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17.  
Delete pages 2 through 4.  
Page 5, delete lines 1 through 11.  
Page 7, line 17, delete "Sue" and insert **"Subject to section 2.6 of this chapter, sue"**.

Page 8, between lines 13 and 14, begin a new line block indented and insert:

**"(15) Subject to section 3 of this chapter, negotiate reimbursement rates and enter into contracts with individual health care providers and health care provider groups."**

Page 9, line 5, delete "The following may".  
Page 9, delete lines 6 through 12.  
Page 9, line 13, delete "Forty percent (40%)" and insert **"Thirty-five percent (35%)"**.

Page 9, line 13, delete "and one hundred percent".  
Page 9, line 14, delete "(100%) of the expenses of administration of the association".

Page 9, line 27, delete "Sixty percent (60%)" and insert **"Sixty-five percent (65%)"**.

Page 9, line 27, delete "and one hundred".  
Page 9, line 28, delete "percent (100%) of any loss described in subdivision (2)".

Page 9, line 29, delete "department of insurance" and insert **"auditor of state"**.

Page 9, line 37, strike "Except".  
Page 9, line 38, strike "as provided in sections 12 and 13 of this chapter,".

Page 9, line 38, delete "net" and insert "Net".  
Page 11, line 1, delete "annually" and insert **"periodically"**.  
Page 11, line 1, delete "department of" and insert **"auditor of state"**.

Page 11, line 2, delete "insurance".  
Page 11, line 2, delete "sixty percent (60%)" and insert **"sixty-five percent (65%)"**.

Page 11, line 3, delete "and one hundred percent (100%) of any loss described in".

Page 11, line 4, delete "subsection (g)(2)".  
Page 11, line 4, delete ";" and insert ".".

Page 11, line 6, delete "department of insurance" and insert **"auditor of state"**.

Page 11, line 7, delete "amount" and insert **"amounts"**.  
Page 11, line 24, after "2.3." insert **"(a)"**.

Page 11, line 30, after "2.1" insert **"(as in effect December 31, 2004) or 2.4"**.

Page 11, between lines 31 and 32, begin a new paragraph and insert:

**"(b) A member shall, not later than October 31 of each year, certify an independently audited report to the association of the amount of assessments paid by the member against which a tax credit has not been taken under section 2.1 (as in effect December 31, 2004) or 2.4 of this chapter as of the date of the report."**

SECTION 4. IC 27-8-10-2.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005]: **Sec. 2.4. (a) Beginning January 1, 2005, a member that, before January 1, 2005, has:**

**(1) paid an assessment; and**  
**(2) not taken a credit against taxes;**  
**under section 2.1 of this chapter (as in effect December 31, 2004) is not entitled to claim or carry forward the unused tax credit except as provided in this section.**

**(b) A member described in subsection (a) may, in each calendar year beginning January 1, 2005, take a credit of not more than ten percent (10%) of the amount of the assessments paid before January 1, 2005, against which a tax credit has not been taken before January 1, 2005. A credit under this subsection may be taken against premium taxes, adjusted gross income**

**taxes, or any combination of these, or similar taxes upon revenues or income of the member that may be imposed by the state, up to the amount of the taxes due for each calendar year."**

Page 11, line 32, delete "IC 27-8-10-2.4" and insert "IC 27-8-10-2.5".

Page 11, line 34, delete "2.4." and insert **"2.5."**

Page 11, line 41, delete "IC 27-8-10-2.5" and insert "IC 27-8-10-2.6".

Page 11, line 42, delete "JULY" and insert "JANUARY".

Page 12, line 1, delete "2004]: Sec. 2.5." and insert "2004 (RETROACTIVE)]: **Sec. 2.6."**

Page 12, line 17, after "(d)" insert **"The commissioner shall, not more than forty-five (45) days after an appeal is filed under subsection (c), take a final action or issue an order regarding the appeal."**

**(e)".**

Page 12, delete lines 19 through 42, begin a new paragraph and insert:

**"(f) If a member sues the association, the court shall not award to the member:**

**(1) attorney's fees or costs; or**

**(2) punitive damages."**

SECTION 7. IC 27-8-10-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 15, 2004 (RETROACTIVE)]:  
Sec. 3. (a) An association policy issued under this chapter may pay **an amount for medically necessary eligible expenses related to the diagnosis or treatment of illness or injury that exceed the deductible and coinsurance amounts applicable under section 4 of this chapter. Payment under an association policy may be based on the association's usual and customary charges fee schedule or use other another reimbursement systems that are consistent with managed care plans, including fixed fee schedules and capitated reimbursement, for medically necessary eligible health care services rendered or furnished for the diagnosis or treatment of illness or injury that exceed the deductible and coinsurance amounts applicable under section 4 of this chapter: method or combination of reimbursement methods established by the board of directors. However, if the association adopts a fee schedule based on Medicare reimbursement, the fee schedule must provide for a reimbursement rate for inpatient and physician service eligible expenses of not less than the Medicare reimbursement rate for the eligible expenses plus eight and one-half percent (8.5%).** Eligible expenses are the charges for the following health care services and articles to the extent furnished by a health care provider in an emergency situation or furnished or prescribed by a physician:

(1) Hospital services, including charges for the institution's most common semiprivate room, and for private room only when medically necessary, but limited to a total of one hundred eighty (180) days in a year.

(2) Professional services for the diagnosis or treatment of injuries, illnesses, or conditions, other than mental or dental, that are rendered by a physician or, at the physician's direction, by the physician's staff of registered or licensed nurses, and allied health professionals.

(3) The first twenty (20) professional visits for the diagnosis or treatment of one (1) or more mental conditions rendered during the year by one (1) or more physicians or, at their direction, by their staff of registered or licensed nurses, and allied health professionals.

(4) Drugs and contraceptive devices requiring a physician's prescription.

(5) Services of a skilled nursing facility for not more than one hundred eighty (180) days in a year.

(6) Services of a home health agency up to two hundred seventy (270) days of service a year.

(7) Use of radium or other radioactive materials.

(8) Oxygen.

(9) Anesthetics.

(10) Prostheses, other than dental.

(11) Rental of durable medical equipment which has no personal use in the absence of the condition for which prescribed.

(12) Diagnostic X-rays and laboratory tests.

## (13) Oral surgery for:

- (A) excision of partially or completely erupted impacted teeth;
- (B) excision of a tooth root without the extraction of the entire tooth; or
- (C) the gums and tissues of the mouth when not performed in connection with the extraction or repair of teeth.

## (14) Services of a physical therapist and services of a speech therapist.

## (15) Professional ambulance services to the nearest health care facility qualified to treat the illness or injury.

## (16) Other medical supplies required by a physician's orders.

An association policy may also include comparable benefits for those who rely upon spiritual means through prayer alone for healing upon such conditions, limitations, and requirements as may be determined by the board of directors.

(b) A managed care organization that issues an association policy may not refuse to enter into an agreement with a hospital solely because the hospital has not obtained accreditation from an accreditation organization that:

- (1) establishes standards for the organization and operation of hospitals;
- (2) requires the hospital to undergo a survey process for a fee paid by the hospital; and
- (3) was organized and formed in 1951.

(c) This section does not prohibit a managed care organization from using performance indicators or quality standards that:

- (1) are developed by private organizations; and
- (2) do not rely upon a survey process for a fee charged to the hospital to evaluate performance.

(d) For purposes of this section, if benefits are provided in the form of services rather than cash payments, their value shall be determined on the basis of their monetary equivalency.

(e) The following are not eligible expenses in any association policy within the scope of this chapter:

- (1) Services for which a charge is not made in the absence of insurance or for which there is no legal obligation on the part of the patient to pay.
- (2) Services and charges made for benefits provided under the laws of the United States, including Medicare and Medicaid, military service connected disabilities, medical services provided for members of the armed forces and their dependents or for employees of the armed forces of the United States, medical services financed in the future on behalf of all citizens by the United States.
- (3) Benefits which would duplicate the provision of services or payment of charges for any care for injury or disease either:
  - (A) arising out of and in the course of an employment subject to a worker's compensation or similar law; or
  - (B) for which benefits are payable without regard to fault under a coverage statutorily required to be contained in any motor vehicle or other liability insurance policy or equivalent self-insurance.

However, this subdivision does not authorize exclusion of charges that exceed the benefits payable under the applicable worker's compensation or no-fault coverage.

## (4) Care which is primarily for a custodial or domiciliary purpose.

## (5) Cosmetic surgery unless provided as a result of an injury or medically necessary surgical procedure.

## (6) Any charge for services or articles the provision of which is not within the scope of the license or certificate of the institution or individual rendering the services.

(f) The coverage and benefit requirements of this section for association policies may not be altered by any other inconsistent state law without specific reference to this chapter indicating a legislative intent to add or delete from the coverage requirements of this chapter.

(g) This chapter does not prohibit the association from issuing additional types of health insurance policies with different types of benefits that, in the opinion of the board of directors, may be of benefit to the citizens of Indiana.

(h) This chapter does not prohibit the association or its administrator from implementing uniform procedures to review the

medical necessity and cost effectiveness of proposed treatment, confinement, tests, or other medical procedures. Those procedures may take the form of preadmission review for nonemergency hospitalization, case management review to verify that covered individuals are aware of treatment alternatives, or other forms of utilization review. Any cost containment techniques of this type must be adopted by the board of directors and approved by the commissioner.

SECTION 8. IC 27-8-10-3.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: **Sec. 3.2. Except as provided in section 3.6 of this chapter, a health care provider shall not bill an insured for any amount that exceeds:**

**(A) the payment made by the association under the association policy for eligible expenses incurred by the insured; and**

**(B) any copayment, deductible, or coinsurance amounts applicable under the association policy."**

Delete pages 13 through 14.

Page 15, delete lines 1 through 9.

Page 15, delete lines 31 through 42, begin a new paragraph and insert:

"SECTION 10. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2004]: IC 27-8-10-12; IC 27-8-10-13."

Page 16, delete lines 1 through 10.

Renumber all SECTIONS consecutively.

(Reference is to HB 1273 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 13, nays 0.

FRY, Chair

Report adopted.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred House Bill 1276, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 11, nays 0.

BISCHOFF, Chair

Report adopted.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred House Bill 1277, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 13-11-2-25.8, AS ADDED BY HEA 1798-2003, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25.8. **(a)** For purposes of IC 13-18:

(1) "Class I wetland" means an isolated wetland described by one (1) or both of the following:

(A) At least fifty percent (50%) of the wetland has been disturbed or affected by human activity or development by one (1) or more of the following:

(i) Removal or replacement of the natural vegetation.

(ii) ~~Disturbance or~~ Modification of the natural hydrology.

(B) The wetland supports **only** minimal wildlife **or aquatic** habitat or hydrologic function because the wetland ~~(1)~~ does not provide critical habitat for threatened or endangered species listed in accordance with the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) **and the wetland is characterized by at least one (1) of the following:**

~~(ii)~~ (i) **The wetland** is typified by low species diversity.

~~(iii)~~ (ii) **The wetland** contains greater than fifty percent (50%) areal coverage of non-native invasive species **of vegetation.**

~~(iv)~~ (iii) **The wetland** does not support significant **wildlife or aquatic habitat. or wildlife uses; or**

- (~~+~~) (iv) **The wetland** does not possess significant hydrologic function;
- (2) "Class II wetland" means:
- (A) an isolated wetland that is not a Class I or Class III wetland; or
  - (B) a type of wetland listed in subdivision (3)(B) that would meet the definition of Class I wetland if the wetland were not a rare or ecologically important type; and
- (3) "Class III wetland" means an isolated wetland:
- (A) that is located in a setting undisturbed or minimally disturbed by human activity or development **and that supports more than minimal wildlife or aquatic habitat or hydrologic function;** or
  - (B) unless classified as a Class II wetland under subdivision (2)(B), that is of one (1) of the following rare and ecologically important types:
    - (i) Acid bog.
    - (ii) Acid seep.
    - (iii) Circumneutral bog.
    - (iv) Circumneutral seep.
    - (v) Cypress swamp.
    - (vi) Dune and swale.
    - (vii) Fen.
    - (viii) Forested fen.
    - (ix) Forested swamp.
    - (x) Marl beach.
    - (xi) Muck flat.
    - (xii) Panne.
    - (xiii) Sand flat.
    - (xiv) Sedge meadow.
    - (xv) Shrub swamp.
    - (xvi) Sinkhole pond.
    - (xvii) Sinkhole swamp.
    - (xviii) Wet floodplain forest.
    - (xix) Wet prairie.
    - (xx) Wet sand prairie.

**(b) For purposes of this section, a wetland or setting is not considered disturbed or affected as a result of an action taken after March 1, 2004, for which a permit is required under IC 13-18-22 but has not been obtained.**

SECTION 2. IC 13-11-2-61 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 61. "Dredged material", for purposes of this chapter and IC 13-18-22, means material that is dredged or excavated from an isolated wetland.**

SECTION 3. IC 13-11-2-74.5, AS ADDED BY HEA 1798-2003, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 74.5. (a) "Exempt isolated wetland", for purposes of IC 13-18 and environmental management laws, means an isolated wetland that:**

- (1) is a voluntarily created wetland unless:
  - (A) the wetland is approved by the department for compensatory mitigation purposes in accordance with a permit issued under Section 404 of the Clean Water Act **or IC 13-18-22;**
  - (B) the wetland is reclassified as a state regulated wetland under IC 13-18-22-6(c); or
  - (C) the owner of the wetland declares, by a written instrument:
    - (i) recorded in the office of the recorder of the county or counties in which the wetland is located; and
    - (ii) filed with the department;
 that the wetland is to be considered in all respects to be a state regulated wetland;
- (2) exists as an incidental feature in or on:
  - (A) a residential lawn;
  - (B) a lawn or landscaped area of a commercial or governmental complex;
  - (C) agricultural land;
  - (D) a roadside ditch;
  - (E) an irrigation ditch; or
  - (F) a manmade drainage control structure;
- (3) is a fringe wetland associated with a private pond;

(4) is, or is associated with, a manmade body of surface water of any size created by:

- (A) excavating;
- (B) diking; or
- (C) excavating and diking;

dry land to collect and retain water for or incidental to agricultural, commercial, industrial, or aesthetic purposes;

(5) subject to subsection (~~b~~); (**c**), is a Class I wetland with ~~a delineation~~ **an area, as delineated**, of one-half (1/2) acre or less;

(6) subject to subsection (~~c~~); (**d**), is a Class II wetland with ~~a delineation~~ **an area, as delineated**, of one-fourth (1/4) acre or less;

(7) is located on land:

(A) subject to regulation under the United States Department of Agriculture wetland conservation rules, also known as Swampbuster, because of voluntary enrollment in a federal farm program; and

(B) used for agricultural or associated purposes allowed under the rules referred to in clause (A); or

(8) is constructed for reduction or control of pollution.

**(b) For purposes of subsection (a)(2), an isolated wetland exists as an incidental feature:**

**(1) if:**

**(A) the owner or operator of the property or facility described in subsection (a)(2) does not intend the isolated wetland to be a wetland;**

**(B) the isolated wetland is not essential to the function or use of the property or facility; and**

**(C) the isolated wetland arises spontaneously as a result of damp soil conditions incidental to the function or use of the property or facility; and**

**(2) if the isolated wetland satisfies any other factors or criteria established in rules that are:**

**(A) adopted by the water pollution control board; and**

**(B) not inconsistent with the factors and criteria described in subdivision (1).**

**(c) The total acreage of Class I wetlands on a tract to which the exemption described in subsection (a)(5) may apply is limited to the larger of:**

(1) the acreage of the largest individual isolated wetland on the tract that qualifies for the exemption described in subsection (a)(5); and

(2) fifty percent (50%) of the cumulative acreage of all individual isolated wetlands on the tract that would qualify for the exemption described in subsection (a)(5) but for the limitation of this subsection.

**(~~c~~) (d) The total acreage of Class II wetlands on a tract to which the exemption described in subsection (a)(6) may apply is limited to the larger of:**

(1) the acreage of the largest individual isolated wetland on the tract that qualifies for the exemption described in subsection (a)(6); and

(2) thirty-three and one-third percent (33 1/3%) of the cumulative acreage of all individual isolated wetlands on the tract that would qualify for the exemption described in subsection (a)(6) but for the limitation of this subsection.

**(e) An isolated wetland described in subsection (a)(5) or (a)(6) does not include an isolated wetland on a tract that contains more than one (1) of the same class of wetland until the owner of the tract notifies the department that the owner has selected the isolated wetland to be an exempt isolated wetland under subsection (a)(5) or (a)(6) consistent with the applicable limitations described in subsections (c) and (d).**

SECTION 4. IC 13-11-2-265, AS AMENDED BY HEA 1798-2003, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 265. (a) "Waters", for purposes of water pollution control laws and environmental management laws, means:**

(1) the accumulations of water, surface and underground, natural and artificial, public and private; or

(2) a part of the accumulations of water;

that are wholly or partially within, flow through, or border upon Indiana.

(b) The term "waters" does not include:

- (1) an exempt isolated wetland;
- (2) a private pond; or
- (3) an off-stream pond, reservoir, wetland, or other facility built for reduction or control of pollution or cooling of water before discharge.

**(c) The term includes all waters of the United States, as defined in Section 502(7) of the federal Clean Water Act (33 U.S.C. 1362(7)), that are located in Indiana.**

SECTION 5. IC 13-18-22-2, AS ADDED BY HEA 1798-2003, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The board may adopt rules under IC 4-22-2 and IC 13-14 not later than February 1, ~~2004~~, **2005**, to implement the part of the definition of Class I wetland under IC 13-11-2-25.8(1)(B).

(b) Before the adoption of rules by the board under subsection (a), the department shall determine the class of a wetland in a manner consistent with the definitions of Class I, II, and III wetlands in IC 13-11-2-25.8.

**(c) The classification of an isolated wetland that is based on the level of disturbance of the wetland by human activity or development may be improved to a higher numeric class if an action is taken to restore the isolated wetland, in full or in part, to the conditions that existed on the isolated wetland before the disturbance occurred.**

SECTION 6. IC 13-18-22-3, AS ADDED BY HEA 1798-2003, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) An individual permit is required to authorize a wetland activity in a Class III wetland.

(b) Except as provided in section 4(a) of this chapter, an individual permit is required to authorize a wetland activity in a Class II wetland.

(c) The board shall adopt rules under IC 4-22-2 and IC 13-14 not later than June 1, ~~2004~~, **2005**, to govern the issuance of individual permits by the department under subsections (a) and (b).

SECTION 7. IC 13-18-22-4, AS ADDED BY HEA 1798-2003, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) ~~A general permit is authorized for~~ Wetland activities with minimal impact in **Class I wetlands and Class II wetlands**, including the activities analogous to those allowed under the nationwide permit program (as published in 67 Fed. Reg. 2077-2089 (2002)), **shall be authorized by a general permit rule.**

(b) ~~A general permit is authorized for~~ Wetland activities in Class I wetlands **shall be authorized by a general permit rule.**

(c) The board shall adopt rules under IC 4-22-2 and IC 13-14 not later than February 1, ~~2004~~, **2005**, to establish and implement the general permits ~~authorized described~~ in subsections (a) and (b).

SECTION 8. IC 13-18-22-7, AS ADDED BY HEA 1798-2003, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The department shall:

- (1) administer the permit programs established by this chapter; and
- (2) review and issue decisions on applications for permits to undertake wetland activities in state regulated wetlands in accordance with the rules issued by the board under this chapter.

(b) Before the adoption of rules by the board under this chapter, the department shall:

- (1) issue individual permits under this chapter consistent with the general purpose of this chapter; and
- (2) for wetland activities in Class I wetlands, issue permits under this subsection:
  - (A) that are simple, streamlined, and uniform;
  - (B) that do not require development of site specific provisions; and
  - (C) promptly upon submission by the applicant to the department of a notice of registration for a permit.

(c) Not later than June 1, ~~2003~~, **2004**, the department shall make available to the public:

- (1) a form for use in applying for a permit under subsection (b)(1); and
- (2) a form for use in submitting a notice of registration for a

permit to undertake a wetland activity in a Class I wetland under subsection (b)(2).

SECTION 9. IC 13-18-22-8, AS ADDED BY HEA 1798-2003, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The department shall make a decision to issue or deny an individual permit under section 3 or 7(b)(1) of this chapter not later than one hundred twenty (120) days after receipt of the application. If the department fails to make a decision on a permit application by that deadline, a permit is considered to have been issued by the department in accordance with the application.

~~(b) Except as provided in subsection (d),~~ A general permit under section 4 of this chapter is considered to have been issued **becomes effective with respect to an applicant a proposed wetland activity that is within the scope of the general permit** on the thirty-first day after the department receives a notice of intent ~~of from the person proposing the wetland activity that the wetland activity be authorized under the general permit. if the department has not previously authorized the wetland activity.~~

(c) Except as provided in subsection (d), a permit to undertake a wetland activity in a Class I wetland under section 7(b)(2) of this chapter is considered to have been issued to an applicant on the thirty-first day after the department receives a notice of registration submitted under section 7(b)(2) of this chapter if the department has not previously authorized the wetland activity.

(d) The department may deny a registration for a permit **for cause** under subsection ~~(b) or~~ (c) before the period specified in subsection ~~(b) or~~ (c) expires.

(e) The department must support a denial under subsection (a) or (d) by a written statement of reasons.

SECTION 10. IC 13-18-22-10, AS ADDED BY HEA 1798-2003, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. **(a) Except as provided in subsection (b),** the department has no authority over the:

- (1) filling;
- (2) draining; or
- (3) elimination by other means;

before January 1, ~~2003~~, **2004**, of a wetland that would have been an isolated wetland.

**(b) The department has authority over wetland activities in an isolated wetland, including an exempt isolated wetland, that are subject to the provisions of:**

- (1) a National Pollutant Discharge Elimination System (NPDES) permit issued by the department under 33 U.S.C. 1342;
- (2) an agreed order under IC 13-30-3-3, consent order, or consent decree executed by the department and the regulated party;
- (3) an order issued under IC 13-30-3-4; or
- (4) a judgment of a court enforcing or upholding an enforcement order or decree described in subdivision (2) or (3);

**that became effective before January 1, 2004.**

SECTION 11. IC 13-11-2-166.5 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 12. HEA 1798-2003, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 41. (a) The environmental quality service council shall do the following:

- (1) Monitor the implementation of SECTIONS 21 through 25, 27 through 35, 38, and 39 of this act.
- (2) Review the role of the department of environmental management with respect to action on requests under Section 401 of the Clean Water Act (33 U.S.C. 1341) for certifications concerning projects subject to permit requirements under Section 404 of the Clean Water Act (33 U.S.C. 1344), and recommend whether statutory direction is appropriate or necessary in defining that role.
- (3) Complete its consideration of the options for statutory definition of "private pond" as used in the definition of "waters" in IC 13-11-2-265, as amended by this act, and:
  - (A) recommend an option; and
  - (B) include with the recommendation a statement of rationale

for the recommendation.

(4) Evaluate the tensions between existing programs for wetlands protection and for local drainage and recommend principles and policies for ameliorating those tensions, taking into consideration the rationale and objectives for both programs.

(5) Submit its final report on the matters described in subdivisions (1) through (4) before November 1, ~~2003~~, **2004**, to:

(A) the governor; and

(B) the executive director of the legislative services agency.

(b) The environmental quality service council shall:

(1) conduct an ongoing evaluation of the implementation of the permit program for state regulated wetlands under IC 13-18-22, as added by this act;

(2) recommend any adjustments to the program referred to in subdivision (1) that are considered advisable to improve the operation and effectiveness of the program, consistent with the purpose of providing an efficient permitting process and enhancing the attainment of an overall goal of no net loss of state regulated wetlands; and

(3) submit its final report on the matters described in subdivisions (1) and (2) before November 1, ~~2005~~, **2006**; to:

(A) the governor; and

(B) the executive director of the legislative services agency.

(c) This SECTION expires January 1, ~~2006~~, **2007**.

**SECTION 13. An emergency is declared for this act.**

(Reference is to HB 1277 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

BOTTORFF, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1284, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

**SECTION 1. IC 9-13-2-92 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 92. (a) "Law enforcement officer", except as provided in subsection (b), includes the following:**

(1) A state police officer.

(2) A city, town, or county police officer.

(3) A sheriff.

(4) A county coroner.

(5) A conservation officer.

(b) "Law enforcement officer", for purposes of **IC 9-21-3-7.5**, **IC 9-30-5**, **IC 9-30-6**, **IC 9-30-7**, **IC 9-30-8**, and **IC 9-30-9**, has the meaning set forth in **IC 35-41-1**.

**SECTION 2. IC 9-13-2-99.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 99.7. "Medical, firefighting, or law enforcement emergency", for purposes of IC 9-21-3, has the meaning set forth in IC 9-21-3-7.5.**

**SECTION 3. IC 9-13-2-111.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 111.5. "Nongovernmental entity", for purposes of IC 9-21-3, has the meaning set forth in IC 9-21-3-7.5.**

**SECTION 4. IC 9-13-2-117.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 117.3. "OPED", for purposes of IC 9-21-3, has the meaning set forth in IC 9-21-3-7.5.**

**SECTION 5. IC 9-13-2-128 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 128. (a) Except as provided in subsection (b), "political subdivision" means a county, a township, a city, a town, a public school corporation, or any other subdivision of the state recognized in any law, including any special taxing district or entity and any public improvement district authority**

or entity authorized to levy taxes or assessments.

(b) "Political subdivision", for purposes of **IC 9-21-3-7.5**, means the following:

(1) A unit.

(2) A township.

(3) A school corporation (as defined in **IC 36-1-2-17**).

(4) A local hospital authority (as defined in **IC 5-1-4-3**).

(5) A local airport authority (as defined in **IC 8-22-3-1**).

(6) A public transportation corporation established under **IC 36-9-4-10**.

**SECTION 6. IC 9-13-2-144.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 144.2. "Public safety officer", for purposes of IC 9-21-3, has the meaning set forth in IC 9-21-3-7.5.**

**SECTION 7. IC 9-13-2-192 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 192. "Unit", for purposes of section 128 of this chapter and IC 9-21-18, has the meaning set forth in IC 9-21-18-3.**

**SECTION 8. IC 9-21-3-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 7.5. (a) As used in this section, "medical, firefighting, or law enforcement emergency" means the following:**

(1) A medical condition that requires immediate medical attention.

(2) The occurrence of an event or the expected occurrence of an event that presumably requires immediate firefighting, medical, or law enforcement attention.

(3) The commission or the alleged commission of a criminal act that requires immediate intervention or investigation by a law enforcement officer.

(b) As used in this section, "nongovernmental entity" means a person or legal entity that is not:

(1) the state; or

(2) a political subdivision.

(c) As used in this section, "OPED" means a optical preemption emitter device that:

(1) emits a visible or nonvisible light source or an electronic signal; and

(2) is intended to be used to alter the movement of traffic by changing the sequence or interval on a traffic control signal.

(d) As used in this section, "public safety officer" means a:

(1) law enforcement officer;

(2) certified paramedic;

(3) certified emergency medical technician;

(4) certified medical service driver;

(5) certified medical service first responder;

(6) member of a fire department (as defined in **IC 36-8-1-8**); or

(7) volunteer firefighter (as defined in **IC 36-8-12-2**).

(e) An individual may not knowingly or intentionally use an OPED to change the light sequence or interval of a traffic control signal, unless the individual is:

(1) a public safety officer who is:

(A) a passenger in or operating an authorized emergency vehicle; and

(B) responding and in direct route to a medical, firefighting, or law enforcement emergency;

(2) an authorized traffic control technician who is:

(A) installing a preemptive device; or

(B) testing or repairing a malfunctioning preemption device; or

(3) an employee of a public transportation corporation who is operating:

(A) an official public transportation motor vehicle; and

(B) on a scheduled route.

(f) A person may not knowingly or intentionally sell or offer for sale an OPED to a nongovernmental entity.

**SECTION 9. IC 9-21-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 11. (a) A person who violates section 7, 8, 9, or 10 of this chapter commits a Class C infraction.**

**(b) A person that knowingly or intentionally violates section 7.5(e) or 7.5(f) of this chapter commits a Class A misdemeanor.**  
**SECTION 10. [EFFECTIVE JULY 1, 2004] IC 9-21-3-7.5, as added by this act, applies only to offenses committed after June 30, 2004.**

Renumber all SECTIONS consecutively.  
 (Reference is to HB 1284 as introduced.)  
 and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

RESKE, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1285, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 10, nays 0.

LIGGETT, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1287, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 9-24-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 4. A learner's permit authorizes the permit holder to operate a motor vehicle, except a motorcycle, upon a public highway under the following conditions:

(1) While the holder is participating in practice driving in an approved driver education course and is accompanied by a certified driver education instructor in the front seat of an automobile equipped with dual controls.

(2) If the learner's permit has been validated and the holder is less than eighteen (18) years of age, the holder may participate in practice driving if the seat beside the holder is occupied by a guardian, **stepparent**, or relative of the holder who holds a valid operator's, chauffeur's, or public passenger chauffeur's license.

(3) If the learner's permit has been validated and the holder is at least eighteen (18) years of age, the holder may participate in practice driving if accompanied in the vehicle by an individual who holds a valid operator's, chauffeur's, or public passenger chauffeur's license.

(4) While:

(A) the holder is enrolled in an approved driver education course;

(B) the holder is participating in practice driving after having commenced an approved driver education course; and

(C) the seat beside the holder is occupied by a parent, **stepparent**, or guardian of the holder who holds a valid operator's, chauffeur's, or public passenger chauffeur's license."

Renumber all SECTIONS consecutively.  
 (Reference is to HB 1287 as introduced.)  
 and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

RESKE, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1289, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 5, nays 4.

LIGGETT, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1293, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 13, nays 0.

MOSES, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1300, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 10, nays 0.

DVORAK, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce and Economic Development, to which was referred House Bill 1304, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 36-8-16-14, AS AMENDED BY P.L.156-2002, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The emergency telephone system fees shall be used only to pay for:

(1) the lease, purchase, or maintenance of enhanced emergency telephone equipment, including necessary computer hardware, software, and data base provisioning;

(2) the rates associated with the service suppliers' enhanced emergency telephone system network services;

(3) the personnel expenses of the emergency telephone system; and

(4) the lease, purchase, construction, or maintenance of voice and data communications equipment, communications infrastructure, or other information technology necessary to provide emergency response services under authority of the unit imposing the fee.

The legislative body of the unit may appropriate money in the fund only for such an expenditure.

**(b) This subsection applies to a county that:**

(1) imposes a fee under section 5 of this chapter; and

(2) contains a municipality that operates a PSAP (as defined in IC 36-8-16.5-13).

**Not later than January 31 of each year, the county fiscal body shall submit to each municipality described in subdivision (2) a report of all expenditures described in subsection (a) paid during the immediately preceding calendar year.**

SECTION 2. [EFFECTIVE UPON PASSAGE] (a) In addition to the duties imposed under IC 8-1-2.5-9, the regulatory flexibility committee established by IC 8-1-2.6-4 shall issue a report and recommendations in an electronic format under IC 5-14-6 to the legislative council before November 1, 2004, concerning the topic of 911 fees addressed in House Bill 1304 as introduced during the second regular session of the 113th general assembly.

**(b) This SECTION expires January 1, 2005.**

SECTION 3. **An emergency is declared for this act.**

(Reference is to HB 1304 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

STEVENSON, Chair

Report adopted.



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1306, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 0.

LIGGETT, Chair

Report adopted.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1318, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 4, after line 31, begin a new paragraph and insert:

"SECTION 4. IC 12-26-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 2. (a) This section does not apply to the commitment of an individual if the individual has previously been committed under IC 12-26-6.

(b) A proceeding for the commitment of an individual who appears to be suffering from a chronic mental illness may be begun by filing with a court having jurisdiction a written petition by any of the following:

- (1) A health officer.
- (2) A police officer.
- (3) A friend of the individual.
- (4) A relative of the individual.
- (5) The spouse of the individual.
- (6) A guardian of the individual.
- (7) The superintendent of a facility where the individual is present.
- (8) A prosecuting attorney in accordance with IC 35-36-2-4.
- (9) A prosecuting attorney or the attorney for a county office if civil commitment proceedings are initiated under IC 31-34-19-3 or IC 31-37-18-3.

**(10) A third party that contracts with the division of mental health and addiction to provide competency restoration services to a defendant under IC 35-36-3-3 or IC 35-36-3-4.**

SECTION 5. IC 35-36-3-1, AS AMENDED BY P.L.215-2001, SECTION 109, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. (a) If at any time before the final submission of any criminal case to the court or the jury trying the case, the court has reasonable grounds for believing that the defendant lacks the ability to understand the proceedings and assist in the preparation of his a defense, the court shall immediately fix a time for a hearing to determine whether the defendant has that ability. The court shall appoint two (2) or three (3) competent, disinterested:

- (1) psychiatrists; or
- (2) psychologists endorsed by the Indiana state board of examiners in psychology as health service providers in psychology, or physicians;

At least one (1) of whom the individuals appointed under this subsection must be a psychiatrist. ~~who~~ However, neither may be an employee or a contractor of a state institution (as defined in IC 12-7-2-184). The individuals who are appointed shall examine the defendant and testify at the hearing as to whether the defendant can understand the proceedings and assist in the preparation of the defendant's defense.

(b) At the hearing, other evidence relevant to whether the defendant has the ability to understand the proceedings and assist in the preparation of the defendant's defense may be introduced. If the court finds that the defendant has the ability to understand the proceedings and assist in the preparation of the defendant's defense, the trial shall proceed. If the court finds that the defendant lacks this ability, it shall delay or continue the trial and order the defendant committed to the division of mental health and addiction. ~~to be confined by the division in an appropriate psychiatric institution. The division of mental health and addiction shall provide competency restoration services or enter into a contract for the provision of competency restoration services by a third party in the:~~

- (1) location where the defendant currently resides; or
- (2) least restrictive setting appropriate to the needs of the

defendant and the safety of the defendant and others.

However, if the defendant is serving an unrelated executed sentence in the department of correction at the time the defendant is committed to the division of mental health and addiction under this section, the division of mental health and addiction shall provide competency restoration services or enter into a contract for the provision of competency restoration services by a third party at a department of correction facility agreed upon by the division of mental health and addiction or the third party contractor and the department of correction.

SECTION 6. IC 35-36-3-2, AS AMENDED BY P.L.215-2001, SECTION 110, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 2. (a) Whenever the defendant attains the ability to understand the proceedings and assist in the preparation of the defendant's defense, the ~~division of mental health and addiction;~~ through the superintendent of the appropriate psychiatric institution; director or medical director of the entity:

- (1) from which the defendant is receiving competency restoration services; or
- (2) to which the defendant has been civilly committed under this chapter;

shall certify that fact to the proper court, which shall enter an order directing the sheriff to return the defendant, **if necessary. Except as provided in subsection (b),** the court ~~may~~ shall enter such an order immediately after being sufficiently advised of the defendant's attainment of the ability to understand the proceedings and assist in the preparation of the defendant's defense. Upon the return to court of any defendant committed under section 1 of this chapter, the court shall hold the trial as if no delay or postponement had occurred.

**(b) A court may not enter an order for the immediate return of a defendant under subsection (a) if the director or medical director of an entity described in subsection (a) submits a petition to postpone the return of the defendant to the court. A petition must be submitted to the court at the same time the director or medical director of an entity described in subsection (a) certifies that the defendant has attained the ability to understand the proceedings and assist in the preparation of a defense. The petition must:**

- (1) explain the basis for postponing the return of the defendant; and
- (2) indicate the circumstance or circumstances under which the defendant may be returned.

A petition filed under this subsection may not postpone the return of the defendant for more than six (6) months, less any time the defendant has received competency restoration services or has been civilly committed under this chapter. Upon the expiration of time permitted for postponing the return of a defendant under this subsection, the defendant shall immediately be returned to the court.

SECTION 7. IC 35-36-3-3, AS AMENDED BY P.L.215-2001, SECTION 111, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 3. (a) Within ninety (90) days after:

- (1) a defendant's ~~admittance to a psychiatric institution;~~ the superintendent of the psychiatric institution admission to a state institution (as defined in IC 12-7-2-184); or
- (2) the initiation of competency restoration services to a defendant by a third party contractor;

the director or medical director of the state institution (as defined in IC 12-7-2-184) or the director or medical director of the third party contractor, if the division of mental health and addiction has entered into a contract for the provision of competency restoration services by a third party, shall certify to the proper court whether the defendant has a substantial probability of attaining the ability to understand the proceedings and assist in the preparation of the defendant's defense within the foreseeable future.

**(b) If a substantial probability does not exist, the ~~division of mental health and addiction~~ state institution (as defined in IC 12-7-2-184) or the third party contractor shall initiate regular commitment proceedings under IC 12-26. If a substantial probability does exist, the division of mental health and addiction state institution (as defined in IC 12-7-2-184) or third party contractor shall retain the defendant:**

- (1) until the defendant attains the ability to understand the proceedings and assist in the preparation of the defendant's defense and is returned to the proper court for trial; or
- (2) for six (6) months from the date of the:
- (A) defendant's ~~admittance~~ **admission to a state institution (as defined in IC 12-7-2-184); or**
  - (B) **initiation of competency restoration services by a third party contractor;**

whichever first occurs.

SECTION 8. IC 35-36-3-4, AS AMENDED BY P.L.215-2001, SECTION 112, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 4. If a defendant who was found under section 3 of this chapter to have had a substantial probability of attaining the ability to understand the proceedings and assist in the preparation of the defendant's defense has not attained that ability within six (6) months after the date of the:

- (1) defendant's ~~admittance to a psychiatric institution; the division of mental health and addiction~~ **admission to a state institution (as defined in IC 12-7-2-184); or**
- (2) **initiation of competency restoration services by a third party contractor;**

**the state institution (as defined in IC 12-7-2-184) or the third party contractor, if the division of mental health and addiction has entered into a contract for the provision of competency restoration services by a third party, shall institute regular commitment proceedings under IC 12-26."**

(Reference is to HB 1318 as introduced.)  
and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

C. BROWN, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce and Economic Development, to which was referred House Bill 1339, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

**SECTION 1. [EFFECTIVE UPON PASSAGE] Notwithstanding IC 8-1-2.3-1, IC 8-1-2.5-9(c)(7), and IC 8-1-2.5-11, the regulatory flexibility committee established under IC 8-1-2.6-4 shall issue a report and recommendations in an electronic format under IC 5-14-6 to the legislative council before November 1, 2005, concerning the topic of electric utility programs for local governments as addressed in House Bill 1339 as introduced during the second regular session of the 113th General Assembly.**

**SECTION 2. An emergency is declared for this act.**

(Reference is to HB 1339 as introduced.)  
and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

STEVENSON, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Appointments and Claims, to which was referred House Bill 1345, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 11, nays 0.

HARRIS, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Appointments and Claims, to which was referred House Bill 1349, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 34-6-2-89 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 89. (a) "Offender", for purposes of IC 34-13-3-7, means a person who is committed to the department of correction or was committed to the department of correction.

(b) "Offender", for purposes of IC 34-58, means a person who is committed to the department of correction or incarcerated in a jail.

SECTION 2. IC 34-58 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]:

#### ARTICLE 58. SCREENING OF OFFENDER LITIGATION Chapter 1. Screening Procedure

Sec. 1. Upon receipt of a complaint or petition filed by an offender, the court shall docket the case and take no further action until the court has conducted the review required by section 2 of this chapter.

Sec. 2. (a) A court shall review a complaint or petition filed by an offender and shall determine if the claim may proceed. A claim may not proceed if the court determines that the claim:

- (1) is frivolous;
- (2) is not a claim upon which relief may be granted; or
- (3) seeks monetary relief from a defendant who is immune from liability for such relief.

(b) A claim is frivolous under subsection (a)(1) if the claim:

- (1) is made primarily to harass a person; or
- (2) lacks an arguable basis either in:
  - (A) law; or
  - (B) fact.

(c) A court shall dismiss a complaint or petition if:

- (1) the offender who filed the complaint or petition received leave to prosecute the action as an indigent person; and
- (2) the court determines that the offender misrepresented the offender's claim not to have sufficient funds to prosecute the action.

Sec. 3. If a court determines that a claim may not proceed under section 2 of this chapter, the court shall enter an order:

- (1) explaining why the claim may not proceed; and
- (2) stating whether there are any remaining claims in the complaint or petition that may proceed.

Sec. 4. The clerk of the court shall send an order entered under section 3 of this chapter to:

- (1) the offender;
- (2) each defendant or respondent in the action;
- (3) the department of correction, if the offender is incarcerated by the department of correction;
- (4) the sheriff of the county in which the inmate is incarcerated, if the inmate is incarcerated in a county or city jail; and
- (5) the attorney general.

#### Chapter 2. Abusive Litigation

Sec. 1. If an offender has filed at least three (3) civil actions in which a state court has dismissed the action or a claim under IC 34-58-1-2, the offender may not file a new complaint or petition unless a court determines that the offender is in immediate danger of serious bodily injury (as defined in IC 35-41-1-25)."

Delete page 2.

Page 3, delete lines 1 through 12.

Page 4, after line 3, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE JULY 1, 2004] IC 34-58, as added by this act, applies to a cause of action filed after June 30, 2004."

Renumber all SECTIONS consecutively.

(Reference is to HB 1349 as introduced.)  
and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

HARRIS, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1350, has had the same under consideration and begs leave to report the same back to the House with the

recommendation that said bill be amended as follows:

Page 3, between lines 22 and 23, begin a new paragraph and insert:  
**"Sec. 8.5. This chapter does not require a health care provider (as defined in IC 16-18-2-163(a)) to use a health care interpreter or health care translator."**

Page 3, line 24, delete "state department" and insert **"Indiana Minority Health Coalition, Inc.,"**

Page 3, line 26, delete "nine (9)" and insert **"fourteen (14)"**.

Page 3, between lines 38 and 39, begin a new line block indented and insert:

**"(9) One (1) member representing hospitals.**

**(10) One (1) member representing the interagency state council on black and minority health.**

**(11) One (1) member representing the department of correction who is nominated by the commissioner of the department of correction.**

**(12) One (1) member representing the department of education who is nominated by the state superintendent of public instruction.**

**(13) One (1) member representing the office of Medicaid policy and planning who is nominated by the director of the office of Medicaid policy and planning.**

**The appointments made under this subsection must be made in a manner to maintain cultural and language diversity."**

Page 4, line 11, delete "state department for operation of the" and insert **"Indiana Minority Health Coalition, Inc., for the minority health initiative."**

Page 4, delete lines 12 through 20.

Page 4, line 21, delete "(g)" and insert **"(f)"**.

Page 4, line 27, delete "(h)" and insert **"(g)"**.

Page 4, line 30, delete "(i)" and insert **"(h)"**.

Page 4, line 41, delete "sufficient to cover" and insert **"not less than are required to pay all of"**.

Page 4, line 42, after "costs" insert **", direct and indirect,"**.

Page 4, line 42, after "commission" insert **"and operation of this chapter"**.

Page 5, line 17, after "Sec. 13." insert **"(a)"**.

Page 6, between lines 1 and 2, begin a new paragraph and insert:

**"(b) The commission may enter into a contract with a testing company or national association to set the standards of review for an examination by an applicant for certification."**

(Reference is to HB 1350 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

C. BROWN, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1352, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 15, delete "center," and insert **"academy,"**.

Page 3, line 3, delete "center" and insert **"academy"**.

Page 5, delete lines 41 through 42.

Delete page 6.

(Reference is to HB 1352 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 1.

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred House Bill 1354, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 6, line 17, delete "offered under IC 22-2-13-6" and insert **"(as defined in IC 22-2-13-4)"**.

Page 7, line 3, after "that" insert **"**

**(1)"**.

Page 7, line 3, delete "." and insert **"; and**

**(2) employs at least ten (10) full-time employees who are located in Indiana."**

Page 7, line 7, after "first" insert **"two (2)"**.

Page 7, line 7, delete "year" and insert **"years"**.

Page 7, line 7, delete "at least one (1) employee" and insert **"the taxpayer makes the health benefit plan coverage available to the employees."**

Page 7, delete line 8.

Page 7, line 9, delete "the lesser of:" and insert **"two hundred dollars (\$200) per taxable year."**

Page 7, delete lines 10 through 15.

Page 7, line 16, delete "determined under" and insert **"specified in"**.

Page 8, line 17, after "the" insert **"taxable years following the taxable year described in subdivision (2)."**

Page 8, delete lines 18 through 20.

Page 9, line 28, delete "After December 31, 2004, an" and insert **"An"**.

Page 9, between lines 37 and 38, begin a new line block indented and insert:

**"(3) If an employee chooses to participate in the health benefit plan, the employee and any dependents are enrolled in the health benefit plan not later than January 1, 2005."**

(Reference is to HB 1354 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 5.

FRY, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1356, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 13, nays 0.

PORTER, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1359, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 8, strike **"(a)"**.

Page 2, line 10, strike **"machinery"**.

Page 2, line 11, reset in roman **"implements"**.

Page 2, line 12, reset in roman **"of"**.

Page 2, line 12, after **"husbandry,"** insert **"agriculture"**.

Page 2, strike lines 16 through 18.

Page 2, line 25, after **"77." insert "(a)"**.

Page 2, between lines 35 and 36, begin a new paragraph and insert:

**"(b) The bureau shall determine by rule under IC 4-22-2 whether a category of implement of agriculture was designed to be operated primarily:**

**(1) in a farm field or on farm premises; or**

**(2) on a highway."**

Page 2, line 41, after **"agriculture"** delete **","** and insert **"designed to be operated primarily in a farm field or on farm premises,"**.

Page 3, between lines 8 and 9, begin a new paragraph and insert:  
**"SECTION 6. IC 9-13-2-170.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 170.3. "Special machinery" means equipment that is used commercially off a highway, including a portable saw mill or well drilling machinery. The term does not include an implement of agriculture."**

Page 4, line 11, after **"agriculture"** delete **","** and insert **"designed to be operated primarily in a farm field or on farm premises."**

Page 4, between lines 37 and 38, begin a new line block indented and insert:

**"(4) An implement of agriculture designed to be operated primarily in a farm field or on farm premises."**

Page 5, line 25, reset in roman "(7) an implement of".

Page 5, line 26, after "transportation;" insert **"agriculture designed to be operated primarily in a farm field or on farm premises;"**.

Page 5, line 27, reset in roman "(8)".

Page 5, line 27, delete "(7)".

Page 5, line 28, reset in roman "(9)".

Page 5, line 28, delete "(8)".

Page 5, line 29, reset in roman "(10)".

Page 5, line 29, delete "(9)".

Page 5, between lines 33 and 34, begin a new paragraph and insert:  
**"SECTION 13. IC 9-18-2-29.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 29.5. Before a piece of special machinery is operated off a highway or in a farm field, the person who owns the piece of special machinery must:**

**(1) register the piece of special machinery with the bureau; and**

**(2) pay the applicable registration fee."**

Page 5, line 39, after "agriculture" delete "." and insert **"designed to be operated primarily in a farm field or on farm premises."**

Page 6, line 38, after "agriculture" insert **"designed to be operated primarily in a farm field or on farm premises, when operated on a highway and"**.

Page 7, line 12, after "agriculture" insert **"designed to be operated primarily in a farm field or on farm premises, when operated on a highway and"**.

Page 7, line 22, after "agriculture" insert **"designed to be operated primarily in a farm field or on farm premises, when operated on a highway and"**.

Page 7, line 38, after "agriculture" insert **"designed to be operated primarily in a farm field or on farm premises, when operated on a highway and"**.

Page 9, line 18, after "agriculture" delete ";" and insert **"designed to be operated primarily in a farm field or on farm premises;"**.

Page 10, line 3, after "agriculture" delete "." and insert **"designed to be operated primarily in a farm field or on farm premises."**

Page 10, line 15, after "agriculture" insert **"designed to be operated primarily in a farm field or on farm premises"**.

Page 10, between lines 30 and 31, begin a new paragraph and insert:

**"SECTION 23. IC 9-21-21 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]:**

**Chapter 21. Farm Vehicles Involved in Commercial Enterprises**

**Sec. 1. A motor vehicle, trailer, or semitrailer and tractor may be operated primarily as a farm truck, farm trailer, or farm semitrailer and tractor if the vehicle meets the specifications set forth in IC 9-29-5-13(b).**

**Sec. 2. A farm truck, farm trailer, or farm semitrailer and tractor described in section 1 of this chapter may not be operated:**

**(1) part time or incidentally in the conduct of a commercial enterprise; or**

**(2) for the transportation of farm products after the commodities have entered the channels of commerce.**

**Sec. 3. A farm truck described in section 1 of this chapter may be used for personal purposes if the vehicle otherwise qualifies for that class of registration.**

**Sec. 4. If the owner of a farm truck, farm trailer, or farm semitrailer and tractor described in section 1 of this chapter begins to operate, or permits the farm truck, farm trailer, or farm semitrailer and tractor to be operated:**

**(1) in the conduct of a commercial enterprise; or**

**(2) for the transportation of farm products after the commodities have entered the channels of commerce during a registration year for which the license fee under IC 9-29-5-13 has been paid;**

**the owner shall pay the amount computed under IC 9-29-5-13.5 due for the remainder of the registration year for the license fee.**

**Sec. 5. In addition to the penalty provided in section 7 of this chapter, a person that operates a vehicle, or allows a vehicle that the person owns to be operated when the vehicle is:**

**(1) registered under this chapter as a farm truck, farm trailer, or farm semitrailer and tractor; and**

**(2) operated as set forth in section 4 of this chapter; commits a Class C infraction. However, the offense is a Class B infraction if, within the three (3) years preceding the commission of the offense, the person had a prior unrelated judgment under this section.**

**Sec. 6. For purposes of this chapter, the operation of a vehicle in violation of section 4 of this chapter is a continuing offense and the venue for prosecution lies in a county in which the unlawful operation occurred. However, a:**

**(1) judgment against; or**

**(2) finding by the court for; the owner or operator bars a prosecution in another county.**

**Sec. 7. (a) A law enforcement officer (as defined in IC 9-13-2-92(1), IC 9-13-2-92(2), or IC 9-13-2-92(3)) who discovers a vehicle registered under this chapter as a farm truck, farm trailer, or farm semitrailer and tractor that is being operated as set forth in section 4 of this chapter:**

**(1) may take the vehicle into the officer's custody; and**

**(2) may cause the vehicle to be taken to and stored in a suitable place until:**

**(A) the legal owner of the vehicle can be found; or**

**(B) the proper certificate of registration and license plates have been procured and the amount computed under IC 9-29-5-13.5 has been paid.**

**(b) A law enforcement officer described in subsection (a) who discovers a vehicle in violation of the registration provisions of this chapter may not impound any of the following:**

**(1) Perishable commodities.**

**(2) Livestock."**

Page 11, line 2, after "agriculture" delete ";" and insert **"designed to be operated primarily in a farm field or on farm premises;"**.

Page 12, between lines 18 and 19, begin a new paragraph and insert:

**"SECTION 25. IC 9-29-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 11. (a) This section does not apply to a vehicle or person exempted from registration under IC 9-18.**

**(b) The license fee for: a motor vehicle that has:**

**(1) a corn sheller;**

**(2) a well driller;**

**(3) a hay press;**

**(4) a clover huller;**

**(5) a farm wagon type liquid fertilizer tank trailer; or**

**(6) farm machinery;**

**that is permanently mounted on the motor vehicle and used solely for transporting the equipment**

**(1) an implement of agriculture designed to be operated primarily on a highway; or**

**(2) a piece of special machinery;**

**is five dollars (\$5). The motor vehicle is exempt from other fees provided under IC 9-18 or this article.**

**(c) The license fee for a farm wagon used for transporting farm products and farm supplies in connection with a farming operation is five dollars (\$5). The farm wagon is exempt from other fees provided under IC 9-18 or this article.**

**(d) The license fee for a farm type dry or liquid fertilizer tank trailer or spreader or implement of husbandry used to transport bulk fertilizer between distribution point and farm and return is five dollars (\$5). The trailer, spreader, or implement is exempt from the other fees provided under IC 9-18 or this article.**

**(e) (c) The owner of a vehicle listed in this section is not entitled to a reduction in the five dollar (\$5) license fee because the license is granted at a time that the license period is less than a year.**

**SECTION 26. IC 9-29-5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 12. A farm wagon or farm type dry or liquid fertilizer tank trailer or spreader used to transport bulk fertilizer between distribution point and farm and return is exempt from all license fees when the wagon, trailer, or**

spreader is drawn or towed on a highway by a farm tractor that is registered as a farm tractor used in transportation: **an implement of agriculture designed to be operated primarily on a highway.**

SECTION 27. IC 9-29-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 13. (a) This section does not apply to a vehicle or person exempt from registration under IC 9-18.

(b) The license fee for a motor vehicle, trailer, or semitrailer and tractor operated primarily as a farm truck, farm trailer, or farm semitrailer and tractor:

- (1) having a declared gross weight of at least ~~eleven sixteen~~ thousand ~~(11,000)~~ **(16,000)** pounds; and
- (2) used by the owner or guest occupant in connection with agricultural pursuits usual and normal to the user's farming operation;

is fifty percent (50%) of the amount listed in this chapter for a truck, trailer, or semitrailer and tractor of the same declared gross weight.

(c) ~~A farm truck, farm trailer, or farm semitrailer and tractor described in subsection (b) may not be operated either part time or incidentally in the conduct of a commercial enterprise or for the transportation of farm products after the commodities have entered the channels of commerce.~~

(d) ~~A farm truck described in subsection (b) may be used for personal purposes if the vehicle otherwise qualifies for that class of registration.~~

Page 12, line 25, strike "(1) A farm tractor."

Page 12, line 26, after "(2)" insert **"(1)"**.

Page 12, line 26, reset in roman "Special".

Page 12, line 26, reset in roman "machinery."

Page 12, between lines 28 and 29, begin a new line block indented and insert:

**"(3) An implement of agriculture designed to be operated primarily on a highway."**

Page 13, line 8, strike "IC 9-17-2-7" and insert **"IC 9-18-2-7"**.

Page 13, delete lines 17 through 42.

Page 14, delete lines 1 through 22.

Page 14, between lines 34 and 35, begin a new line block indented and insert:

**"(4) Special machinery (as defined in IC 9-13-2-170.3)."**

Page 16, line 5, delete "IC 9-29-5-11; IC 9-29-5-12;".

Page 16, after line 5, begin a new paragraph and insert:

**"SECTION 33. [EFFECTIVE JULY 1, 2004] (a) Notwithstanding IC 9-13-2-77(b), as added by this act, the bureau of motor vehicles shall carry out the duties imposed on it under IC 9-13-2-77(b), as added by this act, under interim written guidelines approved by the commissioner of motor vehicles.**

**(b) This SECTION expires on the earlier of the following:**

- (1) The date rules are adopted under IC 9-13-2-77(b), as added by this act.**
- (2) December 31, 2005.**

SECTION 34. [EFFECTIVE JULY 1, 2004] (a) Notwithstanding IC 9-29-5-13, as amended by this act, the requirement that a motor vehicle, trailer, or semitrailer and tractor must have a declared gross weight of at least sixteen thousand (16,000) pounds in order to be categorized as a farm truck, farm trailer, or farm semitrailer and tractor does not apply to a motor vehicle, trailer, or semitrailer and tractor before January 1, 2005.

**(b) This SECTION expires December 31, 2005.**

SECTION 35. [EFFECTIVE UPON PASSAGE] (a) The bureau of motor vehicles shall adopt rules under IC 4-22-2 to identify and define "farm truck", "farm trailer", and "farm semitrailer and tractor", as required by IC 9-13-2-58.

**(b) Notwithstanding subsection (a), the bureau of motor vehicles shall carry out the duties imposed on it by IC 9-13-2-58 and by this SECTION under interim written guidelines approved by the commissioner of motor vehicles.**

**(c) This SECTION expires on the earlier of the following:**

- (1) The date rules are adopted under IC 9-13-2-58.**
- (2) December 31, 2005.**

SECTION 36. **An emergency is declared for this act."**

Renumber all SECTIONS consecutively.

(Reference is to HB 1359 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

RESKE, Chair

Report adopted.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred House Bill 1360, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between lines 11 and 12, begin a new paragraph and insert: **"SECTION 2. IC 3-6-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 3. (a) A person who is a candidate for elected office or, after December 31, 2004, a member of a candidate's committee may not be appointed as:**

- (1) a member of a county election board;**
- (2) a proxy of record for a member under section 4.5 of this chapter; or**
- (3) an alternate proxy of record for the a member under section 4.5 of this chapter.**

**(b) If an appointed member, a proxy, or an alternate proxy becomes:**

- (1) a candidate for elected office; or**
- (2) after December 31, 2004, a member of a candidate's committee;**

the member, proxy, or alternate proxy may not continue to serve on the county election board. ~~In addition,~~

**(c) An appointed member, a proxy, or an alternate proxy may not hold elected office while a member serving on the county election board.**

**(d) The circuit court clerk may not be a member of a candidate's committee other than the clerk's own candidate's committee.**

SECTION 3. IC 3-6-5.2-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 4.5. (a) This section applies after December 31, 2004. A person who is a candidate for elected office or a member of a candidate's committee may not be appointed as a member of the board.**

**(b) If an appointed member becomes a:**

- (1) candidate for elected office; or**
- (2) member of a candidate's committee;**

the member may not continue to serve on the board.

**(c) An appointed member may not hold elected office while a member of the board.**

**(d) The circuit court clerk may not be a member of a candidate's committee other than the clerk's own candidate's committee.**

SECTION 4. IC 3-6-5.4-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 4.5. (a) This section applies after December 31, 2004. A person who is a candidate for elected office or a member of a candidate's committee may not be appointed as a member of the board.**

**(b) If an appointed member becomes a:**

- (1) candidate for elected office; or**
- (2) member of a candidate's committee;**

the member may not continue to serve on the board.

**(c) An appointed member may not hold elected office while a member of the board.**

**(d) The circuit court clerk may not be a member of a candidate's committee other than the clerk's own candidate's committee."**

Page 4, between lines 28 and 29, begin a new paragraph and insert: **"SECTION 9. IC 3-8-2-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 20. A person who files a declaration of candidacy under this chapter may, at any time ~~no~~ not later than noon ~~seventy-four (74)~~ **seventy-one (71)** days before the date set for holding the primary election, file a statement with the same office where the person filed the declaration of candidacy, stating that the person is no longer a candidate and does not wish the person's name to appear on the primary election ballot as a candidate."**

Page 6, line 21, delete "unless the" and insert "unless ~~the~~ **an**".

Page 6, line 25, strike "the" and insert "**an**".

Page 6, between lines 29 and 30, begin a new paragraph and insert: "SECTION 14. IC 3-10-2-15, AS AMENDED BY P.L.66-2003, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) This section applies to a political party whose nominee received at least two percent (2%) but less than ten percent (10%) of the votes cast for secretary of state at the last election for that office.

(b) This section applies only to a local office that is:

- (1) not listed in IC 3-8-2-5; and
- (2) not a municipal office subject to IC 3-8-5-17 or IC 3-10-6-12.

(c) A political party subject to this section shall nominate the party's candidate for a local office at a county convention of the party **conducted not later than noon on the date specified by IC 3-13-1-7(a)(1) for a major political party to act to fill a candidate vacancy.**

(d) The chairman and secretary of the convention shall execute a certificate of nomination in writing, setting out the following:

- (1) The name of each nominee as:
  - (A) the nominee wants the nominee's name to appear on the ballot; and
  - (B) the nominee's name is permitted to appear on the ballot under IC 3-5-7.
- (2) The residence address of each nominee.
- (3) The office for which each nominee was nominated.
- (4) That each nominee is legally qualified to hold office.
- (5) The political party device or emblem by which the ticket will be designated on the ballot.

Both the chairman and secretary shall acknowledge the certificate before an officer authorized to take acknowledgment of deeds.

(e) Each candidate nominated under this section shall execute a consent to the nomination in the same form as a candidate nominated by petition under IC 3-8-6.

(f) The certificate required by subsection (d) and the consent required by subsection (e) must be filed with the circuit court clerk of the county containing the greatest percentage of population of the election district for which the candidate has been nominated by the convention not later than noon ~~July 15~~ **on the date specified by IC 3-13-1-15(c) for a major political party to file a certificate of candidate selection.**

(g) A candidate's consent to the nomination must include a statement that the candidate requests the name on the candidate's voter registration record be the same as the name the candidate uses on the consent to the nomination. If there is a difference between the name on the candidate's consent to the nomination and the name on the candidate's voter registration record, the officer with whom the consent to the nomination is filed shall forward the information to the voter registration officer of the appropriate county. The voter registration officer of the appropriate county shall change the name on the candidate's voter registration record to be the same as the name on the candidate's consent to the nomination.

(h) **A question concerning the validity of a candidate's nomination under this section shall be determined by a county election board in accordance with IC 3-13-1-16.5(b) and IC 3-13-1-16.5(c).**

(i) **A nominee who wants to withdraw must file a notice of withdrawal in accordance with IC 3-8-7-28.**

SECTION 15. IC 3-10-6-12, AS AMENDED BY P.L.202-1999, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 12. (a) This section applies to a political party:

- (1) not qualified to conduct a primary election under IC 3-10; and
- (2) not required to nominate candidates by a petition of nomination under IC 3-8-6.

(b) The political party may conduct a convention to nominate candidates for city or town office **not later than noon on the date specified by IC 3-13-1-7(a)(1) for a major political party to act to fill a candidate vacancy.**

(c) The chairman and secretary of the convention shall execute and acknowledge a certificate setting forth the nominees of the convention

in accordance with IC 3-8-5-13. The certificate must be filed with the circuit court clerk of the county containing the greatest percentage of population of the municipality not later than noon ~~August 28~~ **on the date specified by IC 3-13-1-15(c) for a major political party to file a certificate of candidate selection.**

(d) Each candidate nominated under this section shall execute a consent to the nomination in the same form as a candidate nominated by petition under IC 3-8-6. The consent must be filed with the certificate under subsection (c).

(e) A candidate's consent to the nomination must include a statement that the candidate requests the name on the candidate's voter registration record be the same as the name the candidate uses on the consent to the nomination. If there is a difference between the name on the candidate's consent to the nomination and the name on the candidate's voter registration record, the officer with whom the consent to the nomination is filed shall forward the information to the voter registration officer of the appropriate county as required by IC 3-5-7-6(e). The voter registration officer of the appropriate county shall change the name on the candidate's voter registration record to be the same as the name on the candidate's consent to the nomination.

(f) **A question concerning the validity of a candidate's nomination under this section shall be determined by a county election board in accordance with IC 3-13-1-16.5(b) and IC 3-13-1-16.5(c).**

(g) **A nominee who wants to withdraw must file a notice of withdrawal in accordance with IC 3-8-7-28.**

SECTION 16. IC 3-10-7-2.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 2.9. (a) **This section does not apply to a town located wholly or partially within a county having a consolidated city.**

(b) **During the year preceding a municipal election conducted under section 2 of this chapter, a town may adopt an ordinance changing the time municipal elections are held for the offices of the town legislative body members, clerk-treasurer, and judge.**

(c) **The ordinance described in subsection (b) must provide all the following:**

- (1) **The years in which town elections shall be held. A town election may not be held in a year following a year in which an election for electors for President of the United States is held.**
- (2) **That the elections for town offices shall be held during general elections or municipal elections, or both.**
- (3) **Which town officers are to be elected in each of the years of the town election cycle. The ordinance must provide that at least two (2) town officers shall be elected in each year of the town election cycle. The ordinance may provide for all town officers to be elected at the same election.**
- (4) **The term of office of each town officer elected in the first election cycle after adoption of the ordinance. A term of office set under this subdivision may not exceed four (4) years.**
- (5) **That the term of office of each town officer elected after the first election cycle after adoption of the ordinance is four (4) years.**
- (6) **That the term of office of each town officer begins on January 1 after the election.**

(d) **A town may repeal an ordinance adopted under subsection (b) subject to both of the following:**

- (1) **The ordinance may not be repealed earlier than twelve (12) years after the ordinance was adopted.**
- (2) **The ordinance may be repealed only in a year preceding a municipal election held at the time described in IC 3-10-6-5.**

SECTION 17. IC 3-10-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 3. If a town has established staggered terms for its town council, or has adopted an ordinance under section 2.7 or 2.9 of this chapter, the county election board shall conduct a municipal election in that town that coincides with a general election."

Page 6, between lines 40 and 41, begin a new paragraph and insert: "SECTION 19. IC 11-10-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 4. Upon the

discharge of a criminal offender, the department shall **do the following**:

- (1) Certify the discharge to the clerk of the sentencing court, ~~Upon receipt of the certification, the clerk who~~ shall make an entry on the record of judgment that the sentence has been satisfied.
- (2) **Inform the criminal offender in writing of the right to register to vote under IC 3-7-13-5.**
- (3) **Provide the criminal offender with a copy of the voter's bill of rights prescribed by the Indiana election commission under IC 3-5-8."**

Renumber all SECTIONS consecutively.  
(Reference is to HB 1360 as introduced.)  
and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

MAHERN, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1394, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 10, nays 0.

DVORAK, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1425, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 11, nays 3.

PORTER, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1435, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete line 25, begin a new line block indented and insert:

- "(1) must be a resident of:**  
**(A) the county making the appointment; and**  
**(B) a township with a population of more than seven thousand (7,000) but less than seventeen thousand (17,000);"**

(Reference is to HB 1435 as introduced.)  
and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

MOSES, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Appointments and Claims, to which was referred House Bill 1436, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between lines 11 and 12, begin a new paragraph and insert:  
**"SECTION 2. IC 4-33-14-5, AS AMENDED BY P.L.92-2003, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]:** Sec. 5. (a) As used in this section, "goods and services" does not include the following:

- (1) Utilities and taxes.
- (2) Financing costs, mortgages, loans, or other debt.
- (3) Medical insurance.
- (4) Fees and payments to a parent or an affiliated company of an operating agent or the person holding an owner's license, other than fees and payments for goods and services supplied by nonaffiliated persons through an affiliated company for the use

or benefit of the operating agent or the person holding the owner's license.

(5) Rents paid for real property or payments constituting the price of an interest in real property as a result of a real estate transaction.

(b) Notwithstanding any law or rule to the contrary, the commission shall establish annual goals for an operating agent or a person issued an owner's license:

- (1) for the use of minority and women's business enterprises; and
- (2) derived from a statistical analysis of utilization study of licensee and operating agent contracts for goods and services that are required to be updated every five (5) years.

(c) An operating agent or a person holding an owner's license shall submit annually to the commission a report that includes the following information:

- (1) **The total dollar value of contracts awarded for goods or services and the percentage awarded to minority and women's business enterprises.**
- (2) **The following information relating to each minority business enterprise or women's business enterprise awarded a contract for goods or services:**
  - (A) **The name.**
  - (B) **The address.**
  - (C) **The total dollar amount of the contract.**

**A record containing information described in this subsection is not exempt from the disclosure requirements of IC 5-14-3-3 under IC 5-14-3-4.**

(~~e~~) (d) An operating agent or a person holding an owner's license shall make a good faith effort to meet the requirements of this section and shall annually demonstrate to the commission that an effort was made to meet the requirements.

(~~d~~) (e) An operating agent or a person holding an owner's license may fulfill not more than seventy percent (70%) of an obligation under this chapter by requiring a vendor to set aside a part of a contract for minority or women's business enterprises. Upon request, the licensee or operating agent shall provide the commission with proof of the amount of the set aside."

Renumber all SECTIONS consecutively.

(Reference is to HB 1436 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

HARRIS, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1437, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between lines 4 and 5, begin a new paragraph and insert:  
**"SECTION 2. IC 11-10-13 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]:**

##### **Chapter 13. Costs of Incarceration**

**Sec. 1. The department shall develop a methodology for determining the average daily cost of incarcerating an offender.**

**Sec. 2. The department shall determine the average daily cost of incarcerating an offender in:**

- (1) **the department; and**
- (2) **each county jail.**

**Sec. 3. The department shall provide each court with jurisdiction over felony and misdemeanor cases with a report enumerating the average daily costs of incarcerating an offender.**

**Sec. 4. (a) The department shall update the report described in section 3 of this chapter twice each calendar year. However, if the average daily cost of incarcerating an offender deviates less than one percent (1%) from the previous cost determination, the department is not required to update the report.**

**(b) The department shall update the report described in section 3 of this chapter, if necessary, after receiving the semiannual incarceration cost analysis from each county sheriff**



under IC 36-2-13-5.

Sec. 5. The department may use the semiannual incarceration cost analysis of a county sheriff under IC 36-2-13-5 as the daily cost of incarcerating an offender in that county jail.

Sec. 6. (a) The department shall annually conduct or contract with a third party to annually conduct an actuarially based study of projected costs of incarceration.

(b) The study must:

(1) consider:

(A) the present and anticipated future costs of incarcerating the current inmate population;

(B) the effect of credit time;

(C) the effect of inmate mortality rates;

(D) the projected increase in costs of incarceration; and

(E) any other factor determined to be relevant by the department or the third party contractor; and

(2) provide an analysis of the projected costs of incarceration for each subsequent calendar year after the year the study is conducted until each inmate in the current inmate population is no longer serving the executed sentence for which the inmate is incarcerated in the department.

(c) Before July 1 of each year, the department shall provide the legislative council with the results of the study. The department shall provide the results in an electronic format under IC 5-14-6.

Sec. 7. The department may adopt rules under IC 4-22-2 to implement this chapter."

Page 2, line 5, after "IC 11-12-3.7." insert "However, a county or a combination of counties is not required to establish and operate a community corrections advisory board if a controlled substance rehabilitation program is operated by the judge of a drug court as provided in IC 11-12-3.7-4."

Page 3, line 16, after ";" insert "or".

Page 3, line 20, delete ";" and insert ".".

Page 3, delete lines 21 through 31.

Page 4, line 19, after "IC 11-12-1-2" insert "or the judge of a drug court who is authorized to operate a controlled substance rehabilitation program under section 4 of this chapter".

Page 4, line 37, after "addiction" delete ";" and insert "or the Indiana judicial center;".

Page 4, line 39, after "board" insert ", the judge of a drug court certified under IC 12-23-14.5,".

Page 4, between lines 39 and 40, begin a new line blocked left and insert "The Indiana judicial center may adopt rules to implement this section."

Page 5, line 26, after "to" insert ":

(1)".

Page 5, line 26, after "county" insert "; or

(2) the Indiana judicial center drug fund if a drug court operates a controlled substance rehabilitation program;".

Page 5, line 26, beginning with "that", begin a new line blocked left.

Page 7, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 12. IC 35-38-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5. (a) When the defendant appears for sentencing, the court shall inform ~~him~~ the defendant of the verdict of the jury or the finding of the court. The court shall afford counsel for the defendant an opportunity to speak on behalf of the defendant. The defendant may also make a statement personally in ~~his~~ the defendant's own behalf and, before pronouncing sentence, the court shall ask ~~him~~ the defendant whether ~~he~~ the defendant wishes to make such a statement. Sentence shall then be pronounced, unless a sufficient cause is alleged or appears to the court for delay in sentencing.

(b) A court that sentences a person to a term of imprisonment shall include the total costs of incarceration in the sentencing order. The court may not consider Class I credit under IC 35-50-6-3 in the calculation of the total costs of incarceration."

Page 10, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 14. IC 35-41-1-26.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 26.8. "Total costs of

incarceration" means the average daily cost of incarcerating an offender, as described in IC 11-10-13, multiplied by the number of days the offender is sentenced to a term of imprisonment."

Page 13, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 17. IC 36-2-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5. (a) The sheriff shall:

(1) arrest without process persons who commit an offense within ~~his~~ the sheriff's view, take them before a court of the county having jurisdiction, and detain them in custody until the cause of the arrest has been investigated;

(2) suppress breaches of the peace, calling the power of the county to ~~his~~ the sheriff's aid if necessary;

(3) pursue and jail felons;

(4) execute all process directed to ~~him~~ the sheriff by legal authority;

(5) serve all process directed to ~~him~~ the sheriff from a court or the county executive;

(6) attend and preserve order in all courts of the county;

(7) take care of the county jail and the prisoners there; and

(8) take photographs, fingerprints, and other identification data as ~~he~~ the sheriff shall prescribe of persons taken into custody for felonies or misdemeanors; and

(9) on or before January 31 and June 30 of each year, provide to the department of correction the average daily cost of incarcerating a prisoner in the county jail as determined under the methodology developed by the department of correction under IC 11-10-13.

(b) A person who:

(1) refuses to be photographed;

(2) refuses to be fingerprinted;

(3) withholds information; or

(4) gives false information;

as prescribed in subsection (a)(8), commits a Class C misdemeanor."

Renumber all SECTIONS consecutively.

(Reference is to HB 1437 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

DVORAK, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1445, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 12, nays 0.

C. BROWN, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred House Bill 1449, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning family law.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 31-37-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) It is a curfew violation for a child fifteen (15), sixteen (16), or seventeen (17) years of age to be in a public place:

(1) between 1 a.m. and 5 a.m. on Saturday or Sunday;

(2) after 11 p.m. on Sunday, Monday, Tuesday, Wednesday, or Thursday; or

(3) before 5 a.m. on Monday, Tuesday, Wednesday, Thursday, or Friday.

(b) A law enforcement officer may not detain a child or take a

child into custody based on a violation of this section unless the law enforcement officer, after speaking with the child and considering the facts and surrounding circumstances, reasonably believes that:

- (1) the child has violated this section; and
- (2) there is no legal defense to the violation.

SECTION 2. IC 31-37-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) It is a curfew violation for a child less than fifteen (15) years of age to be in a public place after 11 p.m. or before 5 a.m. on any day.

(b) A law enforcement officer may not detain a child or take a child into custody based on a violation of this section unless the law enforcement officer, after speaking with the child and considering the facts and surrounding circumstances, reasonably believes that:

- (1) the child has violated this section; and
- (2) there is no legal defense to the violation.

SECTION 3. An emergency is declared for this act.

(Reference is to HB 1449 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

PELATH, Chair

Report adopted.

## OTHER BUSINESS ON THE SPEAKER'S TABLE

### Referrals to Ways and Means

The Speaker announced, pursuant to House Rule 127, that House Bills 1020, 1221, 1276, 1306, 1318, 1340, 1352, 1354, 1356, 1359, and 1445 had been referred to the Committee on Ways and Means.

### Referrals to Ways and Means Withdrawn

The Speaker announced that the referral of House Bill 1245 to the Committee on Ways and Means had been withdrawn.

### Recommitments and Reassignments

The Speaker announced that House Bill 1209 had been recommitted to the Committee on Rules and Legislative Procedures.

The House recessed until the fall of the gavel.

## RECESS

The House reconvened at 1:45 p.m. with the Speaker in the Chair.

## HOUSE BILLS ON SECOND READING

The following bills were called down by their respective authors, were read a second time by title, and, there being no amendments, were ordered engrossed: House Bills 1044, 1082, 1087, 1096, 1171, 1223, 1253, 1330, 1341, and 1448.

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Dobis.

### House Joint Resolution 5

Representative Bauer called down House Joint Resolution 5 for second reading. The joint resolution was read a second time by title.

HOUSE MOTION  
(Amendment 5-1)

Mr. Speaker: I move that House Joint Resolution 5 be amended to read as follows:

Page 2, line 30, after "pre-kindergarten" insert "in public and non-public schools".

(Reference is to HJR 5 as printed January 27, 2004.)

TURNER

Upon request of Representatives Turner and Bosma, the Chair ordered the roll of the House to be called. Roll Call 39: yeas 42, nays 54. Motion failed. The joint resolution was ordered engrossed.

## ENGROSSED HOUSE BILLS ON THIRD READING

### Engrossed House Bill 1337

Representative Pelath called down Engrossed House Bill 1337 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulations; consumer sales and credit.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 40: yeas 91, nays 3. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Borst and Hume.

### Engrossed House Bill 1237

Representative Moses called down Engrossed House Bill 1237 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 41: yeas 55, nays 40. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Gard and Broden.

### Engrossed House Bill 1234

Representative Bauer called down Engrossed House Bill 1234 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning education finance and to make an appropriation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 42: yeas 56, nays 40. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Borst, Simpson, Server, and Rogers.

### Engrossed House Bill 1200

Representative L. Lawson called down Engrossed House Bill 1200 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 43: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Clark and Simpson.

### Engrossed House Bill 1190

Representative Stevenson called down Engrossed House Bill 1190 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 44: yeas 92, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Merritt and Mrvan.

**Engrossed House Bill 1152**

Representative Mahern called down Engrossed House Bill 1152 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning elections.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 45: yeas 51, nays 42. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Ford and Breauux.

**Engrossed House Bill 1134**

Representative Cheney called down Engrossed House Bill 1134 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning labor and industrial safety.

The bill was read a third time by sections and placed upon its passage. After discussion, Representative Cheney withdrew the call of Engrossed House Bill 1134.

**Engrossed House Bill 1117**

Representative Whetstone called down Engrossed House Bill 1117 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 46: yeas 92, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Riegsecker and Lewis.

**Engrossed House Bill 1105**

Representative Becker called down Engrossed House Bill 1105 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 47: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Dillon and Breauux.

**Engrossed House Bill 1102**

Representative Harris called down Engrossed House Bill 1102 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 48: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Wyss, Weatherwax, and Howard.

**Engrossed House Bill 1062**

Representative Foley called down Engrossed House Bill 1062 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning courts and court officers.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 49: yeas 92, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Landske, Kenley, and Bowser.

**Engrossed House Bill 1057**

Representative Foley called down Engrossed House Bill 1057 for third reading:

A BILL FOR AN ACT concerning taxation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 50: yeas 91, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Bray.

**Engrossed House Bill 1051**

Representative Foley called down Engrossed House Bill 1051 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning civil law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 51: yeas 88, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Zakas, Clark, and Antich-Carr.

**Engrossed House Bill 1032**

Representative Frenz called down Engrossed House Bill 1032 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning the general assembly.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 52: yeas 91, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Kenley and Bowser.

**Engrossed House Bill 1029**

Representative Kuzman called down Engrossed House Bill 1029 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 53: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Landske and Broden.

With consent of the members, the House returned to bills on second reading.

**HOUSE BILLS ON SECOND READING****House Bill 1364**

Representative Kuzman called down House Bill 1364 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1364-1)

Mr. Speaker: I move that House Bill 1364 be amended to read as follows:

Page 17, line 22, delete "The" and insert "**Subject to subsections (f) and (g), the**".

Page 18, line 7, delete "The" and insert "**Subject to subsections (f) and (g), the**".

Page 18, between lines 29 and 30, begin a new paragraph and insert:

**"(f) None of the money in the fund or any of its accounts may be transferred to or deposited in the state general fund or the property tax replacement fund.**

**(g) The total amount of money transferred or expended from the fund during a state fiscal year may not exceed the amount payable to the corporation from the state's annual share of the master settlement agreement revenues during that state fiscal year under a sale and assignment entered into under this chapter."**

(Reference is to HB 1364 as printed January 27, 2004.)

TURNER

Upon request of Representatives Turner and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 54: yeas 45, nays 47. Motion failed. The bill was ordered engrossed.

### House Bill 1264

Representative Dvorak called down House Bill 1264 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1264-1)

Mr. Speaker: I move that House Bill 1264 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

**"SECTION 1. IC 9-24-15-6.5, AS AMENDED BY P.L.215-2001, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 6.5. (a) The court shall grant a petition for a restricted driving permit filed under this chapter if all of the following conditions exist:**

**(1) The person was not convicted of one (1) or more of the following:**

**(A) A Class D felony under IC 9-30-5-4 before July 1, 1996, or a Class D felony or a Class C felony under IC 9-30-5-4 after June 30, 1996.**

**(B) A Class C felony under IC 9-30-5-5 before July 1, 1996, or a Class C felony or a Class B felony under IC 9-30-5-5 after June 30, 1996.**

**(2) The person's driving privileges were suspended under IC 9-30-6-9(b) or IC 35-48-4-15.**

**(3) The driving that was the basis of the suspension was not in connection with the person's work.**

**(4) The person does not have a previous conviction for operating while intoxicated.**

**(5) The person is participating in a rehabilitation program certified by either the division of mental health and addiction or the Indiana judicial center as a condition of the person's probation.**

**(b) The person filing the petition for a restricted driving permit shall include in the petition the information specified in subsection (a) in addition to the information required by sections 3 through 4 of this chapter.**

**(c) Whenever the court grants a person restricted driving privileges under this chapter, that part of the court's order granting probationary driving privileges:**

**(1) shall not take effect until the person's driving privileges have been suspended for at least thirty (30) days under IC 9-30-6-9; or**

**(2) notwithstanding IC 9-30-6-9, shall take effect immediately if the person consents to the issuance of an order by the court prohibiting the person from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under**

### IC 9-30-8.

**An ignition interlock device is required as a condition of probationary driving privileges under subdivision (2) for the entire duration of the probationary driving privileges."**

Page 5, line 10, after "may" insert **", as an alternative to a license suspension under subsection (c)(1),"**

Page 5, between lines 33 and 34, begin a new paragraph and insert: **"SECTION 8. IC 9-30-6-8.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 8.7. (a) A person commits a Class B infraction if the person:**

**(1) operates a motor vehicle without a functioning certified ignition interlock device; and**

**(2) is prohibited from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under section 8(d) of this chapter.**

**(b) A person commits a Class B misdemeanor if the person:**

**(1) operates a motor vehicle without a functioning certified ignition interlock device; and**

**(2) knows the person is prohibited from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under section 8(d) of this chapter."**

Page 9, after line 39, begin a new paragraph and insert:

**"SECTION 15. IC 9-30-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5. (a) If the court enters an order conditionally deferring charges under section 3 of this chapter, the court may do the following:**

**(1) Suspend the person's driving privileges for at least two (2) years but not more than four (4) years.**

**(2) Impose other appropriate conditions, including the payment of fees imposed under section 8 of this chapter.**

**(b) Notwithstanding IC 9-30-6-9, the defendant may be granted probationary driving privileges only after the defendant's license has been suspended for at least one (1) year.**

**(c) If a defendant has at least one (1) conviction for an offense under IC 9-30-5, the order granting probationary driving privileges under subsection (b) must prohibit the defendant from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under IC 9-30-8.**

**(d) If a defendant does not have a prior conviction for an offense under IC 9-30-5, the court may, as an alternative to a license suspension under subsection (a)(1), issue an order prohibiting the defendant from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under IC 9-30-8. An order requiring an ignition interlock device must remain in effect for at least two (2) years but not more than four (4) years.**

**SECTION 16. IC 9-30-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 7. (a) If the court refers a defendant to the program under section 6 of this chapter, the court may do the following:**

**(1) Suspend the defendant's driving privileges for at least ninety (90) days but not more than four (4) years.**

**(2) Impose other appropriate conditions.**

**(b) The defendant may be granted probationary driving privileges only after the defendant's license has been suspended for at least thirty (30) days under IC 9-30-6-9.**

**(c) If a defendant has at least one (1) conviction, including a conviction for the instant offense, for an offense under IC 9-30-5, the order granting probationary driving privileges under subsection (b) must prohibit the defendant from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under IC 9-30-8.**

**(d) If a defendant does not have a prior conviction for an offense under IC 9-30-5, the court may, as an alternative to a license suspension under subsection (a)(1), issue an order prohibiting the defendant from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under IC 9-30-8. An order requiring an ignition interlock device must remain in effect for at least two (2) years but not more than four (4) years.**

SECTION 17. IC 9-30-9-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 7.5. (a) A person commits a Class B infraction if the person:

- (1) operates a motor vehicle without a functioning certified ignition interlock device; and
- (2) is prohibited from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under section 5(d) or 7(d) of this chapter.

(b) A person commits a Class B misdemeanor if the person:

- (1) operates a motor vehicle without a functioning certified ignition interlock device; and
- (2) knows the person is prohibited from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under section 5(d) or 7(d) of this chapter.

SECTION 18. IC 12-23-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5. (a) Subject to subsection (b), if a court enters an order conditionally deferring charges that involve a violation of IC 9-30-5, the court shall do the following:

- (1) Suspend the defendant's driving privileges for at least ninety (90) days but not more than two (2) years.
- (2) Impose other appropriate conditions.

(b) A defendant may be granted probationary driving privileges only after the defendant's license has been suspended for at least thirty (30) days under IC 9-30-6-9.

(c) If a defendant has at least one (1) conviction for an offense under IC 9-30-5, the order granting probationary driving privileges under subsection (b) must prohibit the defendant from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under IC 9-30-8.

(d) If a defendant does not have a prior conviction for an offense under IC 9-30-5, the court may, as an alternative to a license suspension under subsection (a)(1), issue an order prohibiting the defendant from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under IC 9-30-8. An order requiring an ignition interlock device must remain in effect for at least two (2) years but not more than four (4) years.

SECTION 19. IC 12-23-5-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5.5. (a) A person commits a Class B infraction if the person:

- (1) operates a motor vehicle without a functioning certified ignition interlock device; and
- (2) is prohibited from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under section 5(d) of this chapter.

(b) A person commits a Class B misdemeanor if the person:

- (1) operates a motor vehicle without a functioning certified ignition interlock device; and
- (2) knows the person is prohibited from operating a motor vehicle unless the motor vehicle is equipped with a functioning certified ignition interlock device under section 5(d) of this chapter."

Renumber all SECTIONS consecutively.

(Reference is to HB 1264 as printed January 23, 2004.)

DVORAK

Motion prevailed. The bill was ordered engrossed.

#### House Bill 1178

Representative Avery called down House Bill 1178 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1178-2)

Mr. Speaker: I move that House Bill 1178 be amended to read as follows:

Page 3, between lines 20 and 21, begin a new paragraph and insert: "**Sec. 9. A volunteer advocate for seniors under this chapter is**

**not authorized to consent to or refuse health care (as defined in IC 16-36-1-1) for an individual if:**

**(1) a spouse, a parent, an adult child, or an adult sibling of the individual or the individual's religious superior, if the individual is a member of a religious order, is available and capable to consent to or refuse the health care on behalf of the individual; or**

**(2) the individual has previously:**

**(A) appointed a health care representative under IC 16-36-1;**

**(B) authorized health care under IC 16-36-1.5, IC 16-36-4, or IC 16-36-5;**

**(C) executed a power of attorney under IC 30-5-4; or**

**(D) had a guardian appointed by the court under IC 29-3."**

(Reference is to HB 1178 as printed January 27, 2004.)

FOLEY

Motion prevailed. The bill was ordered engrossed.

#### House Bill 1136

Representative Chowning called down House Bill 1136 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1136-1)

Mr. Speaker: I move that House Bill 1136 be amended to read as follows:

Page 4, between lines 2 and 3, begin a new paragraph and insert: "(21) A probation officer appointed by the governor."

Renumber all SECTIONS consecutively.

(Reference is to HB 1136 as introduced.)

FOLEY

Motion prevailed. The bill was ordered engrossed.

#### House Bill 1070

Representative Bischoff called down House Bill 1070 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1070-1)

Mr. Speaker: I move that House Bill 1070 be amended to read as follows:

Page 1, delete lines 1 through 17.

Page 2, delete lines 1 through 2.

Renumber all SECTIONS consecutively.

(Reference is to HB 1070 as printed January 23, 2004.)

BISCHOFF

Motion prevailed. The bill was ordered engrossed.

#### House Bill 1022

Representative Day called down House Bill 1022 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

#### House Bill 1019

Representative Ayres called down House Bill 1019 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1019-1)

Mr. Speaker: I move that House Bill 1019 be amended to read as follows:

Page 1, line 3, delete "Mechanical bull" and insert ""**Bull**".

Page 1, line 4, delete "simulate the forces exerted"

Page 1, line 5, delete "upon a rodeo bull rider or a rider of a similarly resistant animal by" and insert "**simulate:**

**(1) a rodeo bull ride; or**

**(2) a similarly challenging ride upon another type of animal; by"**

Page 2, line 9, delete "mechanical"

Page 2, delete lines 12 through 25, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE JULY 1, 2004] (a) **Notwithstanding**

IC 22-12-1-19.1, as amended by this act, and IC 22-15-7, a bull ride simulator may be operated without a valid regulated amusement device permit until July 1, 2005, under subsection (b).

(b) To operate a bull ride simulator as described in subsection (a), the owner of the bull ride simulator must:

(1) register the bull ride simulator with the office of the state building commissioner by July 1, 2004, by providing the information required by the office for such a registration on a form approved by the office; and

(2) demonstrate compliance with all of the insurance requirements for regulated amusement devices under IC 22-15-7-2.5 to the office of the state building commissioner by July 1, 2004.

(c) If the regulated amusement device safety board determines that additional safety standards specific to bull ride simulators are appropriate or needed, subject to the approval of the fire prevention and building safety commission, the regulated amusement device safety board shall adopt rules under IC 4-22-2 to establish equipment laws containing these additional safety standards for bull ride simulators by July 1, 2005.

(d) This SECTION expires July 1, 2005."

(Reference is to HB 1019 as printed January 23, 2004.)

AYRES

Motion prevailed. The bill was ordered engrossed.

The Speaker Pro Tempore yielded the gavel to the Speaker.

## REPORTS FROM COMMITTEES

### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1009, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 8, between lines 2 and 3, begin a new paragraph and insert: "SECTION 3. IC 20-5-4-1.7, AS AMENDED BY P.L.10-2003, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1.7. (a) For purposes of this section, "retirement or severance liability" means the payments anticipated to be required to be made to employees of a school corporation upon or after the termination of their employment by the school corporation under an existing or previous employment agreement.

(b) In addition to the purposes set forth in section 1 of this chapter, a school corporation may issue bonds to implement solutions to contractual retirement or severance liability. The issuance of bonds for this purpose is subject to the following limitations:

(1) A school corporation may issue bonds for the purpose described in this section only one (1) time.

(2) The solution to which the bonds are contributing must be reasonably expected to reduce the school corporation's existing unfunded contractual liability for retirement or severance payments, as of June 30, 2001.

(3) The amount of the bonds that may be issued for the purpose described in this section may not exceed two percent (2%) of the true tax value of property in the school corporation.

(4) Each year that a debt service levy is needed under this section, the school corporation shall reduce its total property tax levy for the school corporation's transportation, school bus replacement, capital projects, or art association and historical society funds in an amount equal to the property tax levy needed for the debt service under this section. The property tax rate for each of these funds shall be reduced each year until the bonds are retired.

(5) A school corporation that issues bonds under this section shall establish a separate debt service fund for repayment of the bonds.

(c) Bonds issued for the purpose described in this section shall be issued in the same manner as other bonds of the school corporation.

(d) Bonds issued under this section ~~must be~~ **are valid if either of the following apply:**

(1) The bonds are issued before December 31, 2004.

(2) The school corporation submits to the department of local government finance before January 1, 2005, a proposal concerning the issuance of bonds under this section to implement solutions for the school corporation's retirement or severance liability, and the school corporation issues the bonds before January 1, 2006.

(e) Bonds issued under this section are not subject to the petition and remonstrance process under IC 6-1.1-20.

(f) Bonds issued under this section are not subject to the limitations contained in IC 36-1-15."

Page 10, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 6. IC 20-5-4-1.7 IS REPEALED [EFFECTIVE JULY 1, 2006].

SECTION 7. P.L.10-2003, SECTION 3, IS REPEALED [EFFECTIVE JULY 1, 2004].

SECTION 8. [EFFECTIVE JULY 1, 2004] (a) After December 31, 2004, a school corporation may not issue bonds under IC 20-5-4-1.7, as amended by this act, unless the school corporation submits a proposal described in IC 20-5-4-1.7(d)(2), as amended by this act, to the department of local government finance before January 1, 2005.

(b) This SECTION expires January 1, 2007."

Renumber all SECTIONS consecutively.

(Reference is to HB 1009 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 27, nays 0.

CRAWFORD, Chair

Report adopted.

### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1039, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 24, nays 1.

CRAWFORD, Chair

Report adopted.

### COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1050, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 13, nays 1.

MOSES, Chair

Report adopted.

### COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred House Bill 1059, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 9, begin a new paragraph and insert: "SECTION 1. IC 3-6-4.1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The commission consists of the following members:

(1) The commission's chair appointed by the governor as provided in section 6 of this chapter.

(2) Four (4) other individuals appointed by the governor as provided in section 4 of this chapter.

(b) Each member of the commission must be a registered voter.

(c) Each member of the commission appointed under subsection (a)(2) must be a member of a major political party of the state. Not more than two (2) members of the commission appointed under subsection (a)(2) may be a member of the same political party.

SECTION 2. IC 3-6-4.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) This section applies only to a commission member described in section 2(a)(2) of this chapter.

(b) Before May 1 of a year that the term of a member of the commission expires, the state chairman of the major political party of the state represented by that member may nominate, in writing, two (2) individuals of the state chairman's own political party to succeed the member whose term will expire.

(b) (c) The state chairman of a political party may nominate the individual whose term will expire that year to serve a new term.

(c) (d) If the state chairman makes the nominations before May 1, the governor shall appoint one (1) of the nominees to the commission.

(d) (e) If the state chairman fails to make the nominations before May 1, the governor shall, within another ten (10) days, appoint a member of the same political party as the state chairman. The state chairman may disapprove the selection by notifying the governor within seven (7) days after receiving notice of the governor's appointment.

(e) (f) If the state chairman disapproves the selection within the seven (7) day period under subsection (d); (e), the governor shall make another appointment under subsection (d) (e) that is also subject to the disapproval of the state chairman under subsection (d); (e).

(f) (g) If the state chairman does not disapprove an appointment under subsection (d) (e) within the seven (7) day period, the individual appointed by the governor is a member of the commission.

SECTION 3. IC 3-6-4.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) **This section applies only to a commission member described in section 2(a)(2) of this chapter.**

(b) If a member of the commission resigns, dies, or becomes unable to serve on the commission, the governor shall notify the state chairman of the major political party of the state represented by the member.

(b) (c) The state chairman may nominate in writing, within ten (10) days after notice of the vacancy, two (2) individuals of the state chairman's own political party to succeed the member. If the state chairman makes the nominations within ten (10) days, the governor shall appoint one (1) of the nominees to the commission.

(c) (d) If the state chairman fails to make the nominations within ten (10) days, the governor shall, within another ten (10) days, appoint a member of the same political party as the state chairman. The state chairman may disapprove the selection by notifying the governor within seven (7) days after receiving notice of the governor's appointment.

(d) (e) If the state chairman disapproves the selection within the seven (7) day period under subsection (c); (d), the governor shall make another appointment under subsection (c) (d) that is also subject to the disapproval of the state chairman under subsection (c); (d).

(e) (f) If the state chairman does not disapprove an appointment under subsection (c) (d) within the seven (7) day period, the individual appointed by the governor is a member of the commission.

SECTION 4. IC 3-6-4.1-6, AS AMENDED BY P.L.122-2000, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The governor shall appoint one (1) of the members of the commission an individual nominated by Common Cause of Indiana to be the commission's chair. and one (1) of the members of the commission to be the vice chair of the commission. The chair of the commission must be a member of the same political party as the individual who is the secretary of state. The vice chair and the chair may not be affiliated with the same political party.

(b) The individuals appointed as chair and vice chair serve in their respective positions until each individual's term as a member of the commission expires.

(b) If the commission's chair resigns, dies, or becomes unable to serve on the commission, the governor shall notify Common Cause of Indiana. The governor shall appoint the individual nominated by Common Cause of Indiana to fill the vacancy for the remainder of the unexpired term of the chair.

(c) Except as provided in section 7 of this chapter, the chair is a nonvoting member of the commission.

SECTION 5. IC 3-6-4.1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Three (3) voting members of the commission constitute a quorum.

(b) Except as otherwise provided in this title, the affirmative vote of at least three (3) voting members of the commission is necessary

for the commission to take official action other than to meet to take testimony.

(c) If commission members are evenly divided on any matter before the commission, the chair shall cast the deciding vote.

(d) Whenever this title requires the unanimous vote of the entire membership of the commission to take action on a matter before the commission, the commission's chair may not vote on the matter.

SECTION 6. IC 3-6-4.1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) **This section applies only to a commission member described in section 2(a)(2) of this chapter.**

(b) A member of the commission may designate another individual to serve as a proxy of record in the member's place as a member of the commission by filing a written instrument designating the proxy of record with the election division. The proxy of record has the same authority to act and vote on all matters as does the member. The member may revoke the authority of the proxy of record at any time. The authority of the proxy of record may be either limited or general with regard to duration or subject matter as set forth by the member in the written instrument designating the proxy.

(b) (c) If both the member and the member's proxy of record are unavailable, the member may designate another individual in writing to serve as an alternate proxy in the member's place as a member of the commission. This designation must be filed with the election division before taking effect. The alternate proxy has the same authority to act and vote on all matters as does the member. The member may revoke the authority of the alternate proxy at any time. The authority of the alternate proxy may be either limited or general with regard to duration or subject matter as set forth by the member in the written instrument designating the proxy.

SECTION 7. IC 3-6-4.1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. If the chair for any reason fails to call a meeting of the commission, then

(1) the vice chair, with the written approval of the remaining two (2) commission members; may convene a meeting of the commission; and

(2) the any three (3) members of the commission may meet to execute the powers and perform the duties of the commission.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1059 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 5.

MAHERN, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Appointments and Claims, to which was referred House Bill 1080, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 12, nays 0.

HARRIS, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1090, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

Page 2, between lines 35 and 36, begin a new paragraph and insert: "SECTION 4. IC 6-1.1-12-37, AS AMENDED BY P.L.192-2002(ss), SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2004 (RETROACTIVE)]: Sec. 37. (a) Each year a person who is entitled to receive the homestead credit provided under IC 6-1.1-20.9 for property taxes payable in the following year is entitled to a standard deduction from the assessed value of the real property, mobile home not assessed as



real property, or manufactured home not assessed as real property that qualifies for the homestead credit. The auditor of the county shall record and make the deduction for the person qualifying for the deduction.

(b) Except as provided in section 40.5 of this chapter, the total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

(1) one-half (1/2) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property; or

(2) for:

(A) 2003 and 2004, thirty-five thousand dollars (\$35,000); and

(B) 2005 and thereafter, thirty-seven thousand dollars (\$37,000).

(c) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home."

Page 2, line 39, delete "(g)" and insert "(d)".

Page 2, line 39, delete "(h)," and insert "(e)".

Page 2, line 39, delete "less" and insert "one (1) or more".

Page 2, line 40, delete "than five (5)".

Page 3, delete lines 3 through 36, begin a new line block indented and insert:

"(2) the product of:

(A) the number of principal rental dwellings in the building; multiplied by

(B) two thousand dollars (\$2,000)."

Page 3, line 37, delete "(e)" and insert "(b)".

Page 4, line 13, delete "(f)" and insert "(c)".

Page 4, line 24, delete "(g)" and insert "(d)".

Page 4, line 30, delete "(h)" and insert "(e)".

Page 4, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 6. IC 6-1.1-20.6 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2004 (RETROACTIVE)]:

#### **Chapter 20.6. Farmland Credit**

**Sec. 1.** This chapter applies to an area of land that meets all the following criteria:

(1) Consists of one (1) or more contiguous tracts in the same county, disregarding any intervening public ways.

(2) Includes agricultural land.

(3) Contains total farm acreage of at least ten (10) acres.

(4) Is at least fifty percent (50%) devoted to farm production activities on a regular, substantial, and continuing basis during the year immediately preceding an assessment date.

(5) Is actively farmed during the year immediately preceding an assessment date by eligible individuals.

**Sec. 2.** As used in this chapter, "actively farm" means the following:

(1) Personal participation on a regular, substantial, and continuing basis, on land that is not leased to another person, in any of the following:

(A) Inspecting the farm production activities of the farm operation periodically, furnishing at least fifty percent (50%) of the value of the tools, and paying at least fifty percent (50%) of the direct cost of production.

(B) Regularly and frequently making or taking an important part in making management decisions substantially contributing to or affecting the success of the farm production activities.

(C) Performing physical work that significantly contributes to the farm production activities.

(2) Leasing the land to another person if the individuals who engaged in the activities described in subdivision (1) on the leased land are eligible individuals described in section 6(c) of this chapter.

**Sec. 3.** As used in this chapter, "agricultural land" means land

assessed as agricultural land under IC 6-1.1-4-13.

**Sec. 4.** As used in this chapter, "application" refers to an application under this chapter.

**Sec. 5.** As used in this chapter, "eligible farm" refers to land described in section 1 of this chapter.

**Sec. 6. (a)** As used in this chapter, "eligible individuals" means any combination of individuals described in subsection (b) or (c).

(b) The following owners are eligible individuals:

(1) An individual who owns at least a fifty-one percent (51%) ownership interest in land that is the subject of an application.

(2) Related individuals who together:

(A) own at least a fifty-one percent (51%) ownership interest in the land that is the subject of an application; or

(B) have at least fifty-one percent (51%) of the ownership and control rights for an entity that has a one hundred percent (100%) ownership interest in the land that is the subject of an application;

or will qualify under clause (A) or (B) after any tangible or intangible interest of a deceased related individual is distributed from the deceased related individual's estate.

(c) For purposes of leased agricultural land, the following are eligible individuals:

(1) An individual who has at least a fifty-one percent (51%) contract interest in a lease of land that is the subject of an application; or

(2) related individuals who together:

(A) have at least a fifty-one percent (51%) contract interest in the lease of land that is the subject of an application; or

(B) have at least fifty-one percent (51%) of the ownership and control rights for an entity that has a one hundred percent (100%) contract interest in a lease of land that is the subject of an application.

**Sec. 7.** As used in this chapter, "farm production activities" means any combination of the following:

(1) Production of crops, fruits, or timber.

(2) Raising livestock.

(3) If the land is tillable land, participation in a federal set aside program of the United States Department of Agriculture that withdraws land from production.

(4) If the land is tillable land, participation in a regular practice of allowing land to be out of production for the purpose of restoring nutrients to the soil or reversing the effects of overgrazing.

**Sec. 8.** As used in this chapter, "farmland credit" refers to a credit granted under this chapter.

**Sec. 9.** As used in this chapter, "maximum eligible acreage" means two hundred fifty (250) acres.

**Sec. 10.** As used in this chapter, "related individuals" means individuals who are related to each other as:

(1) spouse;

(2) child;

(3) stepchild;

(4) grandchild;

(5) great grandchild;

(6) parent;

(7) grandparent;

(8) great grandparent;

(9) brother;

(10) sister;

(11) uncle;

(12) aunt;

(13) niece;

(14) nephew; or

(15) spouse of an individual described in subdivisions (1) through (14).

**Sec. 11.** As used in this chapter, "tax liability" has the meaning set forth in IC 6-1.1-21-5.

**Sec. 12.** As used in this chapter, "tillable land" means tillable land as determined under the rules of the department of local government finance.

**Sec. 13.** As used in this chapter, "total farm acreage" means

total farm acreage as determined under this rules adopted by the department of local government finance for the assessment of agricultural land.

Sec 14. The owners of an eligible tract are entitled to a farmland credit against the tax liability imposed on an eligible farm.

Sec. 15. The amount of the farmland credit is equal to the amount determined under STEP SIX of the following formula:

STEP ONE: Determine the assessed valuation of the total farm acreage in the eligible farm.

STEP TWO: Divide the STEP ONE amount by the total farm acreage in the eligible farm.

STEP THREE: Multiply the STEP TWO amount by the lesser of the following:

(A) The total farm acreage in the eligible farm.

(B) The maximum eligible acreage.

STEP FOUR: Determine the statewide farmland credit amount certified under section 26 of this chapter.

STEP FIVE: Multiply the STEP THREE amount by the STEP FOUR amount.

STEP SIX: Determine the lesser of the following:

(A) The owner's tax liability for the eligible farm.

(B) The STEP FIVE amount.

Sec. 16. The county auditor shall apply the farmland credit to the tracts in an eligible farm in the manner prescribed by the department of local government finance.

Sec. 17. An eligible farm that would otherwise qualify for a farmland credit under this chapter is ineligible if:

(1) any owner is an owner of another eligible farm that is granted a farmland credit under this chapter; or

(2) any shareholder, partner, member, or beneficiary of an owner is:

(A) an owner; or

(B) a shareholder, partner, member, or beneficiary of an entity that is an owner;

of any other eligible farm that is granted a farmland credit under this chapter.

Sec. 18. The owners of an eligible farm, or an owner acting as the agent of all of the owners of an eligible farm, that desire to claim the farmland credit provided by this chapter must file a certified application, under penalty of perjury, on forms and in the manner prescribed by the department of local government finance, with the county auditor of the county in which the eligible farm is located.

Sec. 19. The application must include the following information:

(1) The parcel numbers or key numbers for the eligible farm.

(2) The name of the townships in which the eligible farm is located.

(3) The total farm acreage in the eligible farm.

(4) The names of the owners of the eligible farm.

(5) The names of each shareholder, partner, member, or beneficiary of any entity that is an owner of the eligible farm.

(6) Whether:

(A) an owner;

(B) a shareholder, partner, member, or beneficiary of the owner; or

(C) any entity in which a shareholder, partner, member, or beneficiary of the owner is a shareholder, partner, member, or beneficiary;

has applied for or been granted a farmland credit for another eligible farm.

(7) Any other information required by the department of local government finance.

Sec. 20. A statement filed before May 11 in a year:

(1) first applies to taxes first due and payable in the immediately succeeding year; and

(2) unless the land that is the subject of the farmland credit ceases to qualify for the farmland credit, each year thereafter.

Sec. 21. The county auditor shall approve farmland credits for eligible farms that qualify for a farmland credit under this

chapter.

Sec. 22. As soon as practicable after an application is approved, the county auditor shall submit to the department of local government, on the form required by the department of local government, the information concerning an application that is prescribed by the department of local government finance.

Sec. 23. The department of local government finance shall establish a program to assist county auditors in determining whether eligible farms are disqualified under section 17 of this chapter from receiving a farmland credit.

Sec. 24. If:

(1) land ceases in any part to qualify for a farmland credit under this chapter;

(2) there is a change in:

(A) the ownership of the land that is the subject of a farmland credit; or

(B) the ownership of an entity that is an owner of the land that is the subject of a farmland credit; or

(3) ownership of an individual who is receiving the farmland credit provided by this chapter changes the use of the individual's real property or structures, buildings, and improvements;

the owners, after the change, shall notify the county auditor of the county in which the eligible farm is located of the changes, on the form prescribed by the department of local government finance, not more than sixty (60) days after the date of the change. If the notice is not filed as required by this section, the owners of the land that is the subject of the farmland credit are liable for the amount of any farmland credit that is applied to the tax liability imposed on the land after the change.

Sec. 25. Before April 1 of each year containing an assessment date, the county auditor of each county shall certify to the department of local government finance the amount of the assessed valuation on the assessment date that qualifies for the farmland credit.

Sec. 26. Not later than August 1 of each year containing an assessment date, the department of local government finance shall certify the statewide farmland credit amount determined under STEP TWO of the following formula that will apply to property taxes imposed for the assessment date:

STEP ONE: Determine the sum of the assessed valuation certified under section 27 of this chapter, as adjusted (if necessary) by the department of local government finance to conform with the requirements of this chapter.

STEP TWO: Divide seventy million dollars (\$70,000,000) by the STEP ONE amount.

Sec. 27. Before February 1 of each year, a county auditor shall certify to the department of local government finance the amount of farmland credits allowed in the county for tax liability first due and payable in the year.

SECTION 7. IC 6-1.1-20.9-2, AS AMENDED BY P.L.192-2002(ss), SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2004 (RETROACTIVE)]:

Sec. 2. (a) Except as otherwise provided in section 5 of this chapter, an individual who on March 1 of a particular year either owns or is buying a homestead under a contract that provides the individual is to pay the property taxes on the homestead is entitled each calendar year to a credit against the property taxes which the individual pays on the individual's homestead. However, only one (1) individual may receive a credit under this chapter for a particular homestead in a particular year.

(b) Subject to IC 6-1.1-21-5, the amount of the credit to which the individual is entitled equals the product of:

(1) the percentage prescribed in subsection (d); multiplied by

(2) the amount of the individual's property tax liability, as that term is defined in IC 6-1.1-21-5, which is:

(A) attributable to the homestead during the particular calendar year; and

(B) determined after the application of the property tax replacement credit under IC 6-1.1-21;

(c) For purposes of determining that part of an individual's property tax liability that is attributable to the individual's homestead, all deductions from assessed valuation which the individual claims

under IC 6-1.1-12 or IC 6-1.1-12.1 for property on which the individual's homestead is located must be applied first against the assessed value of the individual's homestead before those deductions are applied against any other property.

(d) The percentage of the credit referred to in subsection (b)(1) is as follows:

YEAR	PERCENTAGE OF THE CREDIT
1996	8%
1997	6%
1998 through 2002	10%
2003 and thereafter	20%

However, the property tax replacement fund board established under IC 6-1.1-21-10, in its sole discretion, may increase the percentage of the credit provided in the schedule for any year, if the board feels that the property tax replacement fund contains enough money for the resulting increased distribution. If the board increases the percentage of the credit provided in the schedule for any year, the percentage of the credit for the immediately following year is the percentage provided in the schedule for that particular year, unless as provided in this subsection the board in its discretion increases the percentage of the credit provided in the schedule for that particular year. However, the percentage credit allowed in a particular county for a particular year shall be increased if on January 1 of a year an ordinance adopted by a county income tax council was in effect in the county which increased the homestead credit. The amount of the increase equals the amount designated in the ordinance.

(e) Before October 1 of each year, the assessor shall furnish to the county auditor the amount of the assessed valuation of each homestead for which a homestead credit has been properly filed under this chapter.

(f) The county auditor shall apply the credit equally to each installment of taxes that the individual pays for the property.

(g) Notwithstanding the provisions of this chapter, a taxpayer other than an individual is entitled to the credit provided by this chapter if:

- (1) an individual uses the residence as the individual's principal place of residence;
- (2) the residence is located in Indiana;
- (3) the individual has a beneficial interest in the taxpayer;
- (4) the taxpayer either owns the residence or is buying it under a contract, recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence; and
- (5) the residence consists of a single-family dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

SECTION 8. IC 6-1.1-21-3, AS AMENDED BY P.L.192-2002(ss), SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2004 (RETROACTIVE)]: Sec. 3. (a) The department, with the assistance of the auditor of state and the department of local government finance, shall determine an amount equal to the eligible property tax replacement amount, which is the estimated property tax replacement.

(b) The department of local government finance shall certify to the department the amount of:

- (1) **farmland credits provided under IC 6-1.1-20.6 that are allowed by the county for the particular calendar year; and**
- (2) homestead credits provided under IC 6-1.1-20.9 which are allowed by the county for the particular calendar year.

(c) If there are one (1) or more taxing districts in the county that contain all or part of an economic development district that meets the requirements of section 5.5 of this chapter, the department of local government finance shall estimate an additional distribution for the county in the same report required under subsection (a). This additional distribution equals the sum of the amounts determined under the following STEPS for all taxing districts in the county that contain all or part of an economic development district:

STEP ONE: Estimate that part of the sum of the amounts under section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable to the taxing district.

STEP TWO: Divide:

- (A) that part of the estimated property tax replacement amount attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; times

(B) the taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5.

(d) The sum of the amounts determined under subsections (a) through (c) is the particular county's estimated distribution for the calendar year.

SECTION 9. IC 6-1.1-21-4, AS AMENDED BY P.L.245-2003, SECTION 19, AND AS AMENDED BY P.L.264-2003, SECTION 12, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2004 (RETROACTIVE)]: Sec. 4. (a) Each year the department shall allocate from the property tax replacement fund an amount equal to the sum of:

(1) each county's total eligible property tax replacement amount for that year; plus

(2) the total amount of homestead tax credits that are provided under IC 6-1.1-20.9 and allowed by each county for that year; plus

(3) an amount for each county that has one (1) or more taxing districts that contain all or part of an economic development district that meets the requirements of section 5.5 of this chapter. This amount is the sum of the amounts determined under the following STEPS for all taxing districts in the county that contain all or part of an economic development district:

STEP ONE: Determine that part of the sum of the amounts under section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of the subdivision (1) amount that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; times

(B) the taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5; **plus**

**(4) the total amount of farmland credits that are provided under IC 6-1.1-20.6 and allowed by each county for that year.**

(b) Except as provided in subsection (e), between March 1 and August 31 of each year, the department shall distribute to each county treasurer from the property tax replacement fund one-half (1/2) of the estimated distribution for that year for the county. Between September 1 and December 15 of that year, the department shall distribute to each county treasurer from the property tax replacement fund the remaining one-half (1/2) of each estimated distribution for that year. The amount of the distribution for each of these periods shall be according to a schedule determined by the property tax replacement fund board under section 10 of this chapter. The estimated distribution for each county may be adjusted from time to time by the department to reflect any changes in the total county tax levy upon which the estimated distribution is based.

(c) On or before December 31 of each year or as soon thereafter as possible, the department shall make a final determination of the amount which should be distributed from the property tax replacement fund to each county for that calendar year. This determination shall be known as the final determination of distribution. The department shall distribute to the county treasurer or receive back from the county treasurer any deficit or excess, as the case may be, between the sum of the distributions made for that calendar year based on the estimated distribution and the final determination of distribution. The final determination of distribution shall be based on the auditor's abstract filed with the auditor of state, adjusted for postabstract adjustments included in the December settlement sheet for the year, and such additional information as the department may require.

(d) All distributions provided for in this section shall be made on warrants issued by the auditor of state drawn on the treasurer of state. If the amounts allocated by the department from the property tax replacement fund exceed in the aggregate the balance of money in the fund, then the amount of the deficiency shall be transferred from the state general fund to the property tax replacement fund, and the auditor of state shall issue a warrant to the treasurer of state ordering

the payment of that amount. However, any amount transferred under this section from the general fund to the property tax replacement fund shall, as soon as funds are available in the property tax replacement fund, be retransferred from the property tax replacement fund to the state general fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the replacement of that amount.

(e) Except as provided in subsection (i), the department shall not distribute under subsection (b) and section 10 of this chapter the money attributable to the county's property reassessment fund if:

(1) by the date the distribution is scheduled to be made, ~~(1)~~ the county auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance; ~~or~~

(2) *by the deadline under IC 36-2-9-20, the county auditor has not transmitted data as required under that section; or*

~~(2) (3) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a).~~

(f) Except as provided in subsection (i), if the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b), the state board or the department shall not distribute under subsection (b) and section 10 of this chapter a part of the money attributable to the county's property reassessment fund. The portion not distributed is the amount that bears the same proportion to the total potential distribution as the number of townships in the county for which data was not transmitted by ~~August~~ *October 1* as described in this section bears to the total number of townships in the county.

(g) Money not distributed ~~under subsection (e)~~ *for the reasons stated in subsection (e)(1) and (e)(2)* shall be distributed to the county when:

(1) the county auditor sends to the department of local government finance the certified statement required to be sent under IC 6-1.1-17-1; and

(2) *the county assessor forwards to the department of local government finance the approved exemption applications required to be forwarded under IC 6-1.1-11-8(a);*

with respect to which the failure to send *or forward* resulted in the withholding of the distribution under subsection (e).

(h) Money not distributed under subsection (f) shall be distributed to the county when the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor transmits to the department of local government finance the data required to be transmitted under IC 6-1.1-4-25(b) with respect to which the failure to transmit resulted in the withholding of the distribution under subsection (f).

(i) The restrictions on distributions under subsections (e) and (f) do not apply if the department of local government finance determines that:

(1) the failure of:

(A) a county auditor to send a certified statement; or

(B) a county assessor to forward copies of all approved exemption applications;

as described in subsection (e); or

(2) the failure of an official to transmit data as described in subsection (f);

is justified by unusual circumstances.

SECTION 10. IC 6-1.1-21-5, AS AMENDED BY P.L.1-2004, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2004 (RETROACTIVE)]: Sec. 5. (a) Each year the taxpayers of each county shall receive a credit for property tax replacement in the amount of each taxpayer's property tax replacement credit amount for taxes which:

(1) under IC 6-1.1-22-9 are due and payable in May and November of that year; or

(2) under IC 6-1.1-22-9.5 are due in installments established by the department of local government finance for that year.

The credit shall be applied to each installment of taxes. The dollar amount of the credit for each taxpayer shall be determined by the county auditor, based on data furnished by the department of local government finance.

(b) The tax liability of a taxpayer for the purpose of computing the credit for a particular year shall be based upon the taxpayer's tax liability as is evidenced by the tax duplicate for the taxes payable in that year, plus the amount by which the tax payable by the taxpayer had been reduced due to the application of county adjusted gross income tax revenues to the extent the county adjusted gross income tax revenues were included in the determination of the total county tax levy for that year, as provided in sections 2(g) and 3 of this chapter, adjusted, however, for any change in assessed valuation which may have been made pursuant to a post-abstract adjustment if the change is set forth on the tax statement or on a corrected tax statement stating the taxpayer's tax liability, as prepared by the county treasurer in accordance with IC 6-1.1-22-8(a). However, except when using the term under section 2(l)(1) of this chapter, the tax liability of a taxpayer does not include the amount of any property tax owed by the taxpayer that is attributable to that part of any property tax levy subtracted under section 2(g)(1)(B), 2(g)(1)(C), 2(g)(1)(D), 2(g)(1)(E), 2(g)(1)(F), 2(g)(1)(G), 2(g)(1)(H), 2(g)(1)(I), 2(g)(1)(J), or 2(g)(1)(K) of this chapter in computing the total county tax levy.

(c) The credit for taxes payable in a particular year with respect to mobile homes which are assessed under IC 6-1.1-7 is equivalent to the taxpayer's property tax replacement credit amount for the taxes payable with respect to the assessments plus the adjustments stated in this section.

(d) Each taxpayer in a taxing district that contains all or part of an economic development district that meets the requirements of section 5.5 of this chapter is entitled to an additional credit for property tax replacement. This credit is equal to the product of:

(1) the STEP TWO quotient determined under section 4(a)(3) of this chapter for the taxing district; multiplied by

(2) the taxpayer's taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5.

(e) If in any year the sum of:

(1) the amount of the credit granted under this section; and

(2) the amount of the homestead credit granted under IC 6-1.1-20.9-2;

against the tax liability on a homestead exceeds two thousand dollars (\$2,000), the aggregate total of the credits is reduced to two thousand dollars (\$2,000). If the tax due is paid in installments, the reduction in the credits shall be applied to each installment in proportion to the relative amount of each installment.

SECTION 11. [EFFECTIVE MARCH 1, 2004 (RETROACTIVE)] (a) The definitions in IC 6-1.1-1 and IC 6-1.1-20.9, as added by this act, and P.L.224-2003, SECTION 1, apply throughout this SECTION.

(b) IC 6-1.1-20.6, as added by this act, and IC 6-1.1-20.9-2, IC 6-1.1-21-3, IC 6-1.1-21-4, and IC 6-1.1-21-5(e), all as amended by this act, apply only to property taxes first due and payable after December 31, 2004.

(c) The department of local government finance shall prescribe application forms and make them available to county auditors and the public as soon as practicable after the passage of this act.

(d) There is appropriated to the property tax replacement board (IC 6-1.1-21) twenty-three million three hundred thirty-three thousand three hundred fifty dollars (\$23,333,350) from the property tax replacement fund for its use for total operating expense to distribute farmland credit replacement amounts for farmland credits applied against tax liability imposed for property taxes first due and payable in 2005, for the state fiscal year beginning July 1, 2004, and ending June 30, 2005. Adjustments may be made to this appropriation under IC 6-1.1-21-4, as amended by this act. The appropriation made by this subsection is supplemental to all other appropriations made to the property tax replacement board in P.L.224-2003, SECTION 10. For purposes of applying IC 6-1.1-20.6-26, as added by this act, to farmland credits for property taxes first due and payable in calendar year 2005, the amount appropriated for

farmstead credits shall be treated as seventy million dollars (\$70,000,000). The amount appropriated by this SECTION constitutes the amount necessary to pay the first two (2) distributions required under IC 6-1.1-21-10 for property taxes first due and payable in calendar year 2005. The general assembly will appropriate the remainder necessary for calendar year 2005 as part of the budget bill applicable to the next biennium beginning July 1, 2005.

(e) The department of local government finance may adopt temporary rules in the manner provided in IC 4-22-2-37.1 for the adoption of emergency rules to implement IC 6-1.1-20.6, as added by this act, and this SECTION. A temporary rule adopted under this SECTION expires on the earlier of the following:

(1) The date that another temporary rule is adopted under this SECTION or a permanent rule is adopted under IC 4-22-2 to supersede a previously adopted temporary rule.

(2) July 1, 2005."

Page 4, line 38, after "act," insert "and IC 6-1.1-12-37, as amended by this act,".

Renumber all SECTIONS consecutively.

(Reference is to HB 1090 as printed January 27, 2004.)

and when so amended that said bill do pass.

Committee Vote: yeas 22, nays 2.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1103, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 14, nays 9.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1114, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 27, nays 0.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1135, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 25, nays 0.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1154, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 27, nays 0.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1156, has had the same under consideration and begs leave to report the same back to the House with the

recommendation that said bill do pass.

Committee Vote: yeas 26, nays 0.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1157, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 27, nays 0.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Human Affairs, to which was referred House Bill 1194, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 10-13-3-6, AS ADDED BY P.L.2-2003, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 6. (a) As used in this chapter, "criminal justice agency" means any agency or department of any level of government whose principal function is:

(1) the apprehension, prosecution, adjudication, incarceration, probation, rehabilitation, or representation of criminal offenders;

(2) the location of parents with child support obligations under 42 U.S.C. 653;

(3) the licensing and regulating of riverboat gambling operations; or

(4) the licensing and regulating of pari-mutuel horse racing operations.

(b) The term includes the following:

(1) The office of the attorney general.

(2) The Medicaid fraud control unit, for the purpose of investigating offenses involving Medicaid.

(3) A nongovernmental entity that performs as its principal function the:

(A) apprehension, prosecution, adjudication, incarceration, or rehabilitation of criminal offenders;

(B) location of parents with child support obligations under 42 U.S.C. 653;

(C) licensing and regulating of riverboat gambling operations; or

(D) licensing and regulating of pari-mutuel horse racing operations;

under a contract with an agency or department of any level of government.

(4) An employee of the division of family of children, a caseworker (as defined in IC 31-9-2-11), or a juvenile probation officer conducting a criminal history check (as defined in IC 31-9-2-29.7) under IC 12-14-25.5-3, IC 31-34, or IC 31-37 to determine the appropriateness of an out-of-home placement for a:

(A) child at imminent risk of placement;

(B) child in need of services; or

(C) delinquent child.

SECTION 2. IC 12-14-25.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 3. (a) Family preservation services may provide:

(1) comprehensive, coordinated, flexible, and accessible services;

(2) intervention as early as possible with emphasis on establishing a safe and nurturing environment;

(3) services to families who have members placed in care settings outside the nuclear family; and

(4) planning options for temporary placement outside the family if it would endanger the child to remain in the home.

**(b) Family preservation services may not include a temporary out-of-home placement if a person who is:**

- (1) currently residing in the location designated as the out-of-home placement; or**
- (2) expected to be residing in the location designated as the out-of-home placement during the time the child at imminent risk of placement would be placed in the location;**

**has committed an act resulting in a substantiated report of child abuse or neglect or has a juvenile adjudication or a conviction for a felony listed in IC 12-17.4-4-11.**

**(c) Before placing a child at imminent risk of placement in a temporary out-of-home placement, the county office of family and children shall conduct a criminal history check (as defined in IC 31-9-2-29.7) for each person described in subsection (b)(1) and (b)(2). However, the county office of family and children is not required to conduct a criminal history check under this section if the temporary out-of-home placement is made to an entity or facility that is not a residence (as defined in IC 3-5-2-42.5) or that is licensed by the state.**

**SECTION 3. IC 31-9-2-29.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 29.7. "Criminal history check", for purposes of IC 31-34 and IC 31-37, means a report consisting of:**

- (1) criminal history data (as defined in IC 10-13-3-5);**
- (2) each substantiated report of child abuse or neglect; and**
- (3) each adjudication for a delinquent act described in IC 31-37-1-2."**

Page 1, line 13, after "12." insert "(a)".

Page 1, delete lines 16 through 17.

Delete pages 2 through 4, begin a new paragraph and insert:

**"(b) Except as provided in subsection (c), a local child protection service shall expunge investigation records one (1) year after a report has been classified as indicated under subsection (a).**

**(c) If a local child protection service has:**

- (1) classified a report under subsection (a) as indicated; and**
- (2) not expunged the report under subsection (b);**

**and the subject of the report is the subject of a subsequent report, the one (1) year period in subsection (b) is tolled for one (1) year after the date of the subsequent report.**

**SECTION 6. IC 31-33-18-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 2. The reports and other material described in section 1 of this chapter shall be made available only to the following:**

- (1) Persons authorized by this article.**
- (2) A legally mandated public or private child protective agency investigating a report of child abuse or neglect or treating a child or family that is the subject of a report or record.**
- (3) A police or other law enforcement agency, prosecuting attorney, or coroner in the case of the death of a child who is investigating a report of a child who may be a victim of child abuse or neglect.**
- (4) A physician who has before the physician a child whom the physician reasonably suspects may be a victim of child abuse or neglect.**
- (5) An individual legally authorized to place a child in protective custody if:**
  - (A) the individual has before the individual a child whom the individual reasonably suspects may be a victim of abuse or neglect; and**
  - (B) the individual requires the information in the report or record to determine whether to place the child in protective custody;**
- (6) An agency having the legal responsibility or authorization to care for, treat, or supervise a child who is the subject of a report or record or a parent, guardian, custodian, or other person who is responsible for the child's welfare.**
- (7) An individual named in the report or record who is alleged to be abused or neglected or, if the individual named in the report is a child or is otherwise incompetent, the individual's guardian ad litem or the individual's court appointed special advocate, or both.**

**(8) Each parent, guardian, custodian, or other person responsible for the welfare of a child named in a report or record and an attorney of the person described under this subdivision, with protection for the identity of reporters and other appropriate individuals.**

**(9) A court, upon the court's finding that access to the records may be necessary for determination of an issue before the court. However, access is limited to in camera inspection unless the court determines that public disclosure of the information contained in the records is necessary for the resolution of an issue then pending before the court.**

**(10) A grand jury upon the grand jury's determination that access to the records is necessary in the conduct of the grand jury's official business.**

**(11) An appropriate state or local official responsible for the child protective service or legislation carrying out the official's official functions.**

**(12) A foster care review board established by a juvenile court under IC 31-34-21-9 (or IC 31-6-4-19 before its repeal) upon the court's determination that access to the records is necessary to enable the foster care review board to carry out the board's purpose under IC 31-34-21.**

**(13) The community child protection team appointed under IC 31-33-3 (or IC 31-6-11-14 before its repeal), upon request, to enable the team to carry out the team's purpose under IC 31-33-3.**

**(14) A person about whom a report has been made, with protection for the identity of:**

**(A) any person reporting known or suspected child abuse or neglect; and**

**(B) any other person if the person or agency making the information available finds that disclosure of the information would be likely to endanger the life or safety of the person.**

**(15) An employee of the division of family and children, a caseworker, or a juvenile probation officer conducting a criminal history check under IC 12-14-25.5-3, IC 31-34, or IC 31-37 to determine the appropriateness of an out-of-home placement for a:**

**(A) child at imminent risk of placement;**

**(B) child in need of services; or**

**(C) delinquent child.**

**The results of a criminal history check conducted under this subdivision must be disclosed to a court determining the placement of a child described in clauses (A) through (C).**

**SECTION 7. IC 31-34-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 2. (a) If a child alleged to be a child in need of services is taken into custody under an order of the court under this chapter, the court shall consider placing the child with a suitable and willing blood or adoptive relative caretaker, including a grandparent, an aunt, an uncle, or an adult sibling, before considering any other out-of-home placement.**

**(b) Before placing a child in need of services with a blood relative or an adoptive relative caretaker, the court may order the division of family and children to:**

**(1) complete a home study of the relative's home; and**

**(2) provide the court with a placement recommendation.**

**(c) Except as provided in subsection (e), before placing a child in need of services in an out-of-home placement, including placement with a blood or an adoptive relative caretaker, the court shall order the division of family and children to conduct a criminal history check of each person who is:**

**(1) currently residing in the location designated as the out-of-home placement; or**

**(2) expected to be residing in the location designated as the out-of-home placement during the time the child would be placed in the location.**

**(d) A court may not order an out-of-home placement if a person described in subsection (c)(1) or (c)(2) has:**

**(1) committed an act resulting in a substantiated report of child abuse or neglect; or**

**(2) been convicted of a felony listed in IC 12-17.4-4-11 or had a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult.**

**(e) The court is not required to order the division of family and children to conduct a criminal history check under subsection (c) if the court orders an out-of-home placement to an entity or a facility that is not a residence (as defined in IC 3-5-2-42.5) or that is licensed by the state.**

SECTION 8. IC 31-34-18-6.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 6.1. **(a)** The predispositional report prepared by a probation officer or caseworker shall include the following information:

- (1) A description of all dispositional options considered in preparing the report.
- (2) An evaluation of each of the options considered in relation to the plan of care, treatment, rehabilitation, or placement recommended under the guidelines described in section 4 of this chapter.
- (3) The name, occupation and position, and any relationship to the child of each person with whom the preparer of the report conferred as provided in section 1.1 of this chapter.

**(b) If a probation officer or a caseworker is considering an out-of-home placement, including placement with a blood or an adoptive relative caretaker, the probation officer or caseworker shall conduct a criminal history check for each person who is:**

- (1) currently residing in the location designated as the out-of-home placement; or**
- (2) expected to be residing in the location designated as the out-of-home placement during the time the child would be placed in the location.**

**The results of the criminal history check must be included in the predispositional report.**

**(c) A probation officer or caseworker is not required to conduct a criminal history check under this section if:**

- (1) the probation officer or caseworker is considering only an out-of-home placement to an entity or facility that:**
  - (A) is not a residence (as defined in IC 3-5-2-42.5); or**
  - (B) is licensed by the state; or**
- (2) placement under this section is undetermined at the time the predispositional report is prepared.**

SECTION 9. IC 31-34-19-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 7. **(a) A court may not enter a dispositional decree under subsection (b) if a person who is:**

- (1) currently residing in the location designated as the out-of-home placement; or**
- (2) expected to be residing in the location designated as the out-of-home placement during the time the child would be placed in the location;**

**has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. If a criminal history check has not been conducted before a dispositional decree is entered under this section, the court shall order the probation officer or caseworker who prepared the predispositional report to conduct a criminal history check in the manner set forth in IC 31-34-18-6.1.**

**(b) In addition to the factors under section 6 of this chapter, if the court enters a dispositional decree regarding a child in need of services that includes an out-of-home placement, the court shall consider whether the child should be placed with the child's suitable and willing blood or adoptive relative caretaker, including a grandparent, an aunt, an uncle, or an adult sibling, before considering other out-of-home placements for the child.**

**(c) The court is not required to order a probation officer or caseworker to conduct a criminal history check under subsection (a) if the court orders an out-of-home placement to an entity or a facility that is not a residence (as defined in IC 3-5-2-42.5) or that is licensed by the state.**

SECTION 10. IC 31-34-20-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. **Subject to section 1.5 of this chapter,** if a child is a child in need of services, the juvenile court may enter one (1) or more of the following dispositional decrees:

- (1) Order supervision of the child by the probation department

or the county office of family and children.

(2) Order the child to receive outpatient treatment:

- (A) at a social service agency or a psychological, a psychiatric, a medical, or an educational facility; or
- (B) from an individual practitioner.

(3) Remove the child from the child's home and place the child in another home or shelter care facility. Placement under this subdivision includes authorization to control and discipline the child.

(4) Award wardship to a person or shelter care facility. Wardship under this subdivision does not include the right to consent to the child's adoption.

(5) Partially or completely emancipate the child under section 6 of this chapter.

(6) Order:

- (A) the child; or
- (B) the child's parent, guardian, or custodian; to receive family services.

(7) Order a person who is a party to refrain from direct or indirect contact with the child.

SECTION 11. IC 31-34-20-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1.5. **(a) The juvenile court may not enter a dispositional decree placing a child in another home under section 1(3) of this chapter or awarding wardship to a person under section 1(4) of this chapter if a person who is:**

- (1) currently residing in the home in which the child would be placed under section 1(3) or 1(4) of this chapter; or**
- (2) expected to be residing in the home in which the child would be placed under section 1(3) or 1(4) of this chapter during the time the child would be placed in the home;**

**has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.**

**(b) The juvenile court shall order the probation officer or caseworker who prepared the predispositional report to conduct a criminal history check to determine if a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. However, the juvenile court is not required to order a criminal history check under this section if criminal history information under IC 31-34-4-2, IC 31-34-18-6.1, or IC 31-34-19-7 establishes whether a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.**

SECTION 12. IC 31-34-21-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 7.5. **(a) The juvenile court may not approve a permanency plan under subsection (c)(1)(D) or (c)(1)(E) if a person who is:**

- (1) currently residing with a person described in subsection (c)(1)(D) or (c)(1)(E); or**
- (2) expected to be residing with a person described in subsection (c)(1)(D) or (c)(1)(E) during the time the child would be placed in the location;**

**has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.**

**(b) The juvenile court shall order the probation officer or caseworker who prepared the predispositional report to conduct a criminal history check to determine if a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. However, the juvenile court is not required to order a criminal history check under this section**



if criminal history information under IC 31-34-4-2, IC 31-34-18-6.1, IC 31-34-19-7, or IC 31-34-20-1.5 establishes whether a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(c) A permanency plan under this chapter includes the following:

(1) The intended permanent or long term arrangements for care and custody of the child that may include any of the following arrangements that the court considers most appropriate and consistent with the best interests of the child:

(A) Return to or continuation of existing custodial care within the home of the child's parent, guardian, or custodian or placement of the child with the child's noncustodial parent.

(B) Initiation of a proceeding by the agency or appropriate person for termination of the parent-child relationship under IC 31-35.

(C) Placement of the child for adoption.

(D) Placement of the child with a responsible person, including:

(i) an adult sibling;

(ii) a grandparent;

(iii) an aunt;

(iv) an uncle; or

(v) ~~other~~ another relative;

who is able and willing to act as the child's permanent custodian and carry out the responsibilities required by the permanency plan.

(E) Appointment of a legal guardian. The legal guardian appointed under this section is a caretaker in a judicially created relationship between the child and caretaker that is intended to be permanent and self-sustaining as evidenced by the transfer to the caretaker of the following parental rights with respect to the child:

(i) Care, custody, and control of the child.

(ii) Decision making concerning the child's upbringing.

(F) Placement of the child in another planned, permanent living arrangement.

(2) A time schedule for implementing the applicable provisions of the permanency plan.

(3) Provisions for temporary or interim arrangements for care and custody of the child, pending completion of implementation of the permanency plan.

(4) Other items required to be included in a case plan under IC 31-34-15 or federal law, consistent with the permanent or long term arrangements described by the permanency plan.

SECTION 13. IC 31-37-17-6.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 6.1. (a) The predispositional report prepared by a probation officer or caseworker shall include the following information:

(1) A description of all dispositional options considered in preparing the report.

(2) An evaluation of each of the options considered in relation to the plan of care, treatment, rehabilitation, or placement recommended under the guidelines described in section 4 of this chapter.

(3) The name, occupation and position, and any relationship to the child of each person with whom the preparer of the report conferred as provided in section 1.1 of this chapter.

(b) If a probation officer or a caseworker is considering an out-of-home placement, including placement with a blood or an adoptive relative caretaker, the probation officer or caseworker must conduct a criminal history check for each person who is:

(1) currently residing in the location designated as the out-of-home placement; or

(2) expected to be residing in the location designated as the out-of-home placement during the time the child would be placed in the location.

The results of the criminal history check must be included in the predispositional report.

(c) A probation officer or caseworker is not required to conduct a criminal history check under this section if:

(1) the probation officer or caseworker is considering only an out-of-home placement to an entity or a facility that:

(A) is not a residence (as defined in IC 3-5-2-42.5); or

(B) is licensed by the state; or

(2) placement under this section is undetermined at the time the predispositional report is prepared.

SECTION 14. IC 31-37-19-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. **Subject to section 6.5 of this chapter**, if a child is a delinquent child under IC 31-37-2, the juvenile court may enter one (1) or more of the following dispositional decrees:

(1) Order supervision of the child by the probation department or the county office of family and children.

(2) Order the child to receive outpatient treatment:

(A) at a social service agency or a psychological, a psychiatric, a medical, or an educational facility; or

(B) from an individual practitioner.

(3) Remove the child from the child's home and place the child in another home or shelter care facility. Placement under this subdivision includes authorization to control and discipline the child.

(4) Award wardship to a person or shelter care facility. Wardship under this subdivision does not include the right to consent to the child's adoption.

(5) Partially or completely emancipate the child under section 27 of this chapter.

(6) Order:

(A) the child; or

(B) the child's parent, guardian, or custodian; to receive family services.

(7) Order a person who is a party to refrain from direct or indirect contact with the child.

SECTION 15. IC 31-37-19-6, AS AMENDED BY P.L.1-2003, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 6. (a) This section applies if a child is a delinquent child under IC 31-37-1.

(b) Except as provided in section 10 of this chapter **and subject to section 6.5 of this chapter**, the juvenile court may:

(1) enter any dispositional decree specified in section 5 of this chapter; and

(2) take any of the following actions:

(A) Award wardship to:

(i) the department of correction for housing in a correctional facility for children; or

(ii) a community based correctional facility for children.

Wardship under this subdivision does not include the right to consent to the child's adoption.

(B) If the child is less than seventeen (17) years of age, order confinement in a juvenile detention facility for not more than the lesser of:

(i) ninety (90) days; or

(ii) the maximum term of imprisonment that could have been imposed on the child if the child had been convicted as an adult offender for the act that the child committed under IC 31-37-1 (or IC 31-6-4-1(b)(1) before its repeal).

(C) If the child is at least seventeen (17) years of age, order confinement in a juvenile detention facility for not more than the lesser of:

(i) one hundred twenty (120) days; or

(ii) the maximum term of imprisonment that could have been imposed on the child if the child had been convicted as an adult offender for the act that the child committed under IC 31-37-1 (or IC 31-6-4-1(b)(1) before its repeal).

(D) Remove the child from the child's home and place the child in another home or shelter care facility. Placement under this subdivision includes authorization to control and discipline the child.

(E) Award wardship to a person or shelter care facility. Wardship under this subdivision does not include the right to consent to the child's adoption.

(F) Place the child in a secure private facility for children licensed under the laws of a state. Placement under this subdivision includes authorization to control and discipline

the child.

(G) Order a person who is a respondent in a proceeding under IC 31-37-16 (before its repeal) or IC 34-26-5 to refrain from direct or indirect contact with the child.

SECTION 16. IC 31-37-19-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 6.5. (a) The juvenile court may not enter a dispositional decree placing a child in another home under section 1(3) or 6(b)(D) of this chapter or awarding wardship to a person under section 1(4) or 6(b)(E) of this chapter if a person who is:

- (1) currently residing in the home in which the child would be placed under section 1(3), 1(4), 6(b)(D), or 6(b)(E) of this chapter; or
- (2) expected to be residing in the home in which the child would be placed under section 1(3), 1(4), 6(b)(D), or 6(b)(E) of this chapter during the time the child would be placed in the home;

has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(b) The juvenile court shall order the probation officer or caseworker who prepared the predispositional report to conduct a criminal history check to determine if a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. However, the juvenile court is not required to order a criminal history check under this section if criminal history information under IC 31-37-17-6.1 establishes whether a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

SECTION 17. IC 31-39-2-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 13.5. The records of the juvenile court are available without a court order to an employee of the division of family of children, a caseworker, or a juvenile probation officer conducting a criminal history check under IC 12-14-25.5-3, IC 31-34, or IC 31-37 to determine the appropriateness of an out-of-home placement for a:

- (1) child at imminent risk of placement;
- (2) child in need of services; or
- (3) delinquent child."

Renumber all SECTIONS consecutively.  
(Reference is to HB 1194 as introduced.)  
and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

SUMMERS, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1244, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 26, nays 0.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1246, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 3-5-2-48 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 48. "State office" refers to governor, lieutenant governor, secretary of state, auditor of state, treasurer of state, ~~superintendent of public instruction, member of the Indiana state board of education,~~ attorney general, justice of the supreme court, judge of the court of appeals, judge of the tax court, and clerk of the supreme court.

SECTION 2. IC 3-8-1-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 33. (a) A candidate for an office listed in subsection (b) must file a statement of economic interests.

(b) Whenever a candidate for any of the following offices is also required to file a declaration of candidacy or is nominated by petition, the candidate shall file a statement of economic interests before filing the declaration of candidacy or declaration of intent to be a write-in candidate, before the petition of nomination is filed, before the certificate of nomination is filed, or before being appointed to fill a candidate vacancy under IC 3-13-1 or IC 3-13-2:

- (1) Governor, lieutenant governor, secretary of state, auditor of state, treasurer of state, attorney general, and ~~state superintendent of public instruction, member of the Indiana state board of education,~~ in accordance with IC 4-2-6-8.
- (2) Senator and representative in the general assembly, in accordance with IC 2-2.1-3-2.
- (3) Justice of the supreme court, clerk of the supreme court, judge of the court of appeals, judge of the tax court, judge of a circuit court, judge of a superior court, judge of a county court, judge of a probate court, and prosecuting attorney, in accordance with IC 33-2.1-8-6 and IC 33-2.1-8-7.

SECTION 3. IC 3-8-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A political party shall conduct a state convention to nominate the candidates of the political party for the following offices to be voted on at the next general election:

- (1) Lieutenant governor.
  - (2) Secretary of state.
  - (3) Auditor of state.
  - (4) Treasurer of state.
  - (5) Attorney general.
  - ~~(6) Superintendent of public instruction.~~
  - ~~(7) (6) Clerk of the supreme court.~~
- (b) The convention shall also:
- (1) nominate candidates for presidential electors and alternate electors; and
  - (2) elect the delegates and alternate delegates to the national convention of the political party.

SECTION 4. IC 3-10-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. The following public officials shall be elected in ~~2000~~ 2004 and every four (4) years thereafter:

- (1) Governor.
- (2) Lieutenant governor.
- (3) Attorney general.
- ~~(4) Superintendent of public instruction.~~ **Members of the Indiana state board of education.**

SECTION 5. IC 3-11-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. The following offices shall be placed on the general election ballot in the following order:

- (1) Federal and state offices:
  - (A) President and Vice President of the United States.
  - (B) United States Senator.
  - (C) Governor and lieutenant governor.
  - (D) Secretary of state.
  - (E) Auditor of state.
  - (F) Treasurer of state.
  - (G) Attorney general.
  - ~~(H) Superintendent of public instruction.~~
  - ~~(I) Clerk of the supreme court.~~
  - ~~(J) United States Representative.~~
- (2) Legislative offices:
  - (A) State senator.
  - (B) State representative.

- (3) Circuit offices and county judicial offices:
  - (A) Judge of the circuit court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the circuit court.
  - (B) Judge of the superior court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the superior court.
  - (C) Judge of the probate court.
  - (D) Judge of the county court, with each division separate, as required by IC 33-10.5-4-2.
  - (E) Prosecuting attorney.
  - (F) Clerk of the circuit court.
- (4) County offices:
  - (A) County auditor.
  - (B) County recorder.
  - (C) County treasurer.
  - (D) County sheriff.
  - (E) County coroner.
  - (F) County surveyor.
  - (G) County assessor.
  - (H) County commissioner.
  - (I) County council member.
- (5) Township offices:
  - (A) Township assessor.
  - (B) Township trustee.
  - (C) Township board member.
  - (D) Judge of the small claims court.
  - (E) Constable of the small claims court.
- (6) City offices:
  - (A) Mayor.
  - (B) Clerk or clerk-treasurer.
  - (C) Judge of the city court.
  - (D) City-county council member or common council member.
- (7) Town offices:
  - (A) Clerk-treasurer.
  - (B) Judge of the town court.
  - (C) Town council member.

SECTION 6. IC 3-11-2-12.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 12.8. The office of member of the Indiana state board of education shall be placed on the general election ballot after the offices described in section 12 of this chapter.**

**(b) The office of member of the Indiana state board of education shall be placed in a separate column on the ballot or ballot label if voting is by paper ballot, ballot card voting system, or electronic voting system, or in a separate column of ballot labels if voting is by voting machine.**

**(c) This subsection applies to voting done by paper ballot or a ballot card voting system. If the ballot contains a candidate for a member of the Indiana state board of education, the ballot must also contain a statement that reads substantially as follows: "To vote for a candidate for this office, make a voting mark on or in the square to the left of the candidate's name."**

SECTION 7. IC 3-11-2-12.9, AS ADDED BY P.L.83-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 12.9. (a) School board offices to be elected at the general election shall be placed on the general election ballot after the offices described in section 12 of this chapter.**

**(b) School board offices shall be placed in a separate column on the ballot or ballot label if voting is by paper ballot, ballot card voting system, or electronic voting system or in a separate column of ballot labels if voting is by voting machine.**

**(c) This subsection applies to voting done by paper ballot or a ballot card voting system. If the ballot contains a candidate for a school board office, the ballot must also contain a statement that reads substantially as follows: "To vote for a candidate for this office, make a voting mark on or in the square to the left of the candidate's name."**

SECTION 8. IC 4-2-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1. The salary of the elected officials of the state is as follows:**

- (1) For the governor, ~~the following salary:~~
  - ~~(A) Before January 8, 2001, seventy-seven thousand two hundred dollars (\$77,200) per year.~~
  - ~~(B) After January 7, 2001, ninety-five thousand dollars (\$95,000) per year.~~
- (2) For the lieutenant governor, ~~the following salary:~~
  - ~~(A) Before January 8, 2001, sixty-four thousand dollars (\$64,000) per year.~~
  - ~~(B) After January 7, 2001, seventy-six thousand dollars (\$76,000) per year.~~

However, the lieutenant governor is not entitled to receive per diem allowance for performance of duties as president of the senate.
- (3) For the secretary of state, ~~the following salary:~~
  - ~~(A) Before January 1, 1999, forty-six thousand dollars (\$46,000) per year.~~
  - ~~(B) After December 31, 1998, sixty-six thousand dollars (\$66,000) per year.~~
- (4) For the auditor of state, ~~the following salary:~~
  - ~~(A) Before December 1, 1998, forty-six thousand dollars (\$46,000) per year.~~
  - ~~(B) After November 30, 1998, sixty-six thousand dollars (\$66,000) per year.~~
- (5) For the treasurer of state, ~~the following salary:~~
  - ~~(A) Before February 10, 1999, forty-six thousand dollars (\$46,000) per year.~~
  - ~~(B) After February 9, 1999, sixty-six thousand dollars (\$66,000) per year.~~
- (6) For the attorney general, ~~the following salary:~~
  - ~~(A) Before January 1, 1999, fifty-nine thousand two hundred dollars (\$59,200) per year.~~
  - ~~(B) After December 31, 1998, seventy-nine thousand four hundred dollars (\$79,400) per year.~~
- (7) For the clerk of the supreme court, ~~the following salary:~~
  - ~~(A) Before January 1, 1999, thirty-eight thousand dollars (\$38,000) per year.~~
  - ~~(B) After December 31, 1998, sixty thousand dollars (\$60,000) per year.~~
- (8) For the state superintendent of public instruction, ~~the following salary:~~
  - ~~(A) Before January 1, 1999, sixty-three thousand one hundred dollars (\$63,100) per year.~~
  - ~~(B) After December 31, 1998, before January 10, 2005, seventy-nine thousand four hundred dollars (\$79,400) per year.~~

SECTION 9. IC 4-2-6-8, AS AMENDED BY P.L.44-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8. (a) The following persons shall file a written financial disclosure statement:**

- (1) The governor, lieutenant governor, secretary of state, auditor of state, treasurer of state, attorney general and ~~state superintendent of public instruction.~~ **each member of the Indiana state board of education.**
  - (2) Any candidate for one (1) of the offices in subdivision (1) who is not the holder of one (1) of those offices.
  - (3) Any person who is the appointing authority of an agency.
  - (4) The director of each division of the department of administration.
  - (5) Any purchasing agent within the procurement division of the department of administration.
  - (6) An employee required to do so by rule adopted by the commission.
- (b) The statement shall be filed with the commission as follows:**
- (1) Not later than February 1 of every year, in the case of the state officers and employees enumerated in subsection (a).
  - (2) Before filing a declaration of candidacy under IC 3-8-2, petition of nomination under IC 3-8-6, or declaration of intent to be a write-in candidate under IC 3-8-2-2.5, or before a certificate of nomination is filed under IC 3-8-7-8, in the case of a candidate for one (1) of the state offices.
  - (3) Not later than sixty (60) days after employment or taking office, unless the previous employment or office required the filing of a statement under this section.

(4) Not later than thirty (30) days after leaving employment or office, unless the subsequent employment or office requires the filing of a statement under this section.

The statement must be made under affirmation.

(c) The statement shall set forth the following information for the preceding calendar year or, in the case of a state officer or employee who leaves office or employment, the period since a previous statement was filed:

(1) The name and address of any person known:

(A) to have a business relationship with the agency of the state officer or employee or the office sought by the candidate; and

(B) from whom the state officer, candidate, or the employee, or that individual's spouse or unemancipated children received a gift or gifts having a total fair market value in excess of one hundred dollars (\$100).

(2) The location of all real property in which the state officer, candidate, or the employee or that individual's spouse or unemancipated children has an equitable or legal interest either amounting to five thousand dollars (\$5,000) or more or comprising ten percent (10%) of the state officer's, candidate's, or the employee's net worth or the net worth of that individual's spouse or unemancipated children. An individual's primary personal residence need not be listed, unless it also serves as income property.

(3) The names and the nature of the business of the employers of the state officer, candidate, or the employee and that individual's spouse.

(4) The following information about any sole proprietorship owned or professional practice operated by the state officer, candidate, or the employee or that individual's spouse:

(A) The name of the sole proprietorship or professional practice.

(B) The nature of the business.

(C) Whether any clients are known to have had a business relationship with the agency of the state officer or employee or the office sought by the candidate.

(D) The name of any client or customer from whom the state officer, candidate, employee, or that individual's spouse received more than thirty-three percent (33%) of the state officer's, candidate's, employee's, or that individual's spouse's nonstate income in a year.

(5) The name of any partnership of which the state officer, candidate, or the employee or that individual's spouse is a member and the nature of the partnership's business.

(6) The name of any corporation (other than a church) of which the state officer, candidate, or the employee or that individual's spouse is an officer or a director and the nature of the corporation's business.

(7) The name of any corporation in which the state officer, candidate, or the employee or that individual's spouse or unemancipated children own stock or stock options having a fair market value in excess of ten thousand dollars (\$10,000). A time or demand deposit in a financial institution or insurance policy need not be listed.

(8) The name and address of the most recent former employer.

(9) Additional information that the person making the disclosure chooses to include.

Any such state officer, candidate, or employee may file an amended statement upon discovery of additional information required to be reported.

(d) A person who:

(1) fails to file a statement required by rule or this section in a timely manner; or

(2) files a deficient statement;

upon a majority vote of the commission, is subject to a civil penalty at a rate of not more than ten dollars (\$10) for each day the statement remains delinquent or deficient. The maximum penalty under this subsection is one thousand dollars (\$1,000).

(e) A person who intentionally or knowingly files a false statement commits a Class A infraction.

SECTION 10. IC 4-3-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this

chapter:

(1) "Agency" means any executive or administrative department, commission, council, board, bureau, division, service, office, officer, administration, or other establishment in the executive or administrative branch of the state government not provided for by the constitution. The term "agency" does not include the secretary of state, the auditor of state, the treasurer of state, the lieutenant governor, the state superintendent of public instruction **before January 10, 2005**, and the attorney general, nor the departments of which they are, by the statutes first adopted setting out their duties, the administrative heads.

(2) "Reorganization" means:

(A) the transfer of the whole or any part of any agency, or of the whole or any part of the functions thereof, to the jurisdiction and control of any other agency;

(B) the abolition of all or any part of the functions of any agency;

(C) the consolidation or coordination of the whole or any part of any agency, or of the whole or any part of the functions thereof, with the whole or any part of any other agency or the functions thereof;

(D) the consolidation or coordination of any part of any agency or the functions thereof with any other part of the same agency or the functions thereof;

(E) the authorization of any officer to delegate any of his functions; or

(F) the abolition of the whole or any part of any agency which agency or part does not have, or upon the taking effect of a reorganization plan will not have, any functions.

SECTION 11. IC 5-14-3-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) As used in this section, "state agency" has the meaning set forth in IC 4-13-1-1. The term does not include the office of the following elected state officials:

(1) Secretary of state.

(2) Auditor.

(3) Treasurer.

(4) Attorney general.

(5) **Before January 10, 2005**, the superintendent of public instruction.

(6) Clerk of the Supreme Court.

However, each state office described in subdivisions (1) through (6) may use the computer gateway administered by the intelnet commission established under IC 5-21-2, subject to the requirements of this section.

(b) As an additional means of inspecting and copying public records, a state agency may provide enhanced access to public records maintained by the state agency.

(c) If the state agency has entered into a contract with a third party under which the state agency provides enhanced access to the person through the third party's computer gateway or otherwise, all of the following apply to the contract:

(1) The contract between the state agency and the third party must provide for the protection of public records in accordance with subsection (d).

(2) The contract between the state agency and the third party may provide for the payment of a reasonable fee to the state agency by either:

(A) the third party; or

(B) the person.

(d) A contract required by this section must provide that the person and the third party will not engage in the following:

(1) Unauthorized enhanced access to public records.

(2) Unauthorized alteration of public records.

(3) Disclosure of confidential public records.

(e) A state agency shall provide enhanced access to public records only through the computer gateway administered by the intelnet commission established under IC 5-21-2, except as permitted by the data process oversight commission established under IC 4-23-16-1.

SECTION 12. IC 6-1.1-19-4.1, AS AMENDED BY P.L.90-2002, SECTION 177, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.1. (a) To assist the department of local government finance in deciding the merits of any

appeal filed under IC 6-1.1-17 or under this chapter with the department by, or in respect of, any school corporation, there is established the school property tax control board. This board shall consist of five (5) voting members and two (2) ex officio nonvoting members. In addition, the school property tax control board may include not more than four (4) additional voting members who shall be appointed as follows:

(1) One (1) member is to be appointed by the president pro tempore of the senate and must be a business official of a school corporation who is not employed by a school corporation that is undergoing a construction project.

(2) One (1) member is to be appointed by the president pro tempore of the senate and must be an engineer knowledgeable in the construction of school buildings but who is not actively employed by an engineering firm that is involved in a school building construction project or who is not otherwise a party to a contract for engineering services for a school building construction project.

(3) One (1) member is to be appointed by the speaker of the house of representatives and must be an architect knowledgeable in the design of school buildings but who is not actively employed by an architectural firm that is involved in a school building construction project or who is not otherwise a party to a contract for architectural services for a school building construction project.

(4) One (1) member is to be appointed by the speaker of the house of representatives and must be a financial adviser who is not actively employed as a financial adviser to a school corporation that is involved in a school building construction project or who is not otherwise a party to a contract for financial advisory services for a school building construction project.

Of the mandatory five (5) voting members, one (1) shall be appointed by the state board of accounts, one (1) shall be appointed by the department of local government finance, and three (3) shall be appointed by the governor. ~~The governor may seek the recommendation of the state superintendent of public instruction with regard to one (1) of the governor's appointees. Each of the remaining~~ Two (2) of the governor's appointees must be a citizen of Indiana who neither holds an elective or appointive office in the government of the state nor is regularly employed by the state. Each of the mandatory five (5) voting members and any additional voting members who may be appointed serves at the will of the appointing board or person. The speaker of the house of representatives shall appoint one (1) member of the house as one (1) of the ex officio nonvoting members of the tax control board. The president pro tempore of the senate shall appoint one (1) senator as the other ex officio nonvoting member of the tax control board. Each of the ex officio nonvoting members of the tax control board shall serve at the will of the appointing officer. A vacancy in the membership of the tax control board shall be filled by the appointing authority who made the appointment to the seat that is vacated. No member of the tax control board shall receive compensation for services as such a member, except as provided in subsections (g) and (h). Each of the members of the tax control board shall, before proceeding to the discharge of the member's duties as a member of the tax control board, subscribe and swear to a writing declaring the member's intention to support the Constitution of the United States and the Constitution of the State of Indiana and the member's intention to faithfully, honestly, and impartially discharge the member's duties as a member of the tax control board.

(b) The tax control board shall meet, as business may require, in rooms provided by the department of local government finance. The department of local government finance shall provide the tax control board with such staff and secretarial assistance as the tax control board may reasonably require. At each organizational meeting of the tax control board, which shall be held annually, the tax control board shall elect one (1) of its members chairman and another secretary.

(c) The department of local government finance shall promptly deliver to the tax control board every appeal petition that is filed under IC 6-1.1-17 or under this chapter with the department by, or in respect of, any school corporation. The department of local government finance shall also promptly deliver to the tax control board other materials related to the appeal petition as the department

shall then or thereafter possess. Upon receiving an appeal petition, the tax control board shall proceed immediately to examine the petition and to consider the merits of the school corporation's appeal.

(d) The tax control board may conduct hearings on any appeal petition that is before the tax control board, and the tax control board may require any officer or member of the school corporation whose appeal petition is under consideration by the tax control board to appear before the tax control board or to produce, before the tax control board, any books and records that the tax control board considers pertinent to the appeal, or both.

(e) If an officer or a member fails or refuses to appear at a hearing of the tax control board after having been given a written notice from the tax control board requiring the officer's or member's attendance, or fails or refuses to produce for the tax control board's use the books and records that the tax control board has, by written notice, required the officer or member to produce, the tax control board may file an affidavit in the circuit court in which jurisdiction of the person of the officer or member may be had, setting forth the facts of the failure or refusal. Upon the filing of the affidavit, the circuit court shall promptly issue a summons, and the sheriff of the county within which the circuit court is sitting shall serve the summons. The summons shall command the officer or member to appear before the tax control board, to provide information to the tax control board, or to produce books and records for the tax control board's use, as the case may be. Disobedience of the summons is punishable as a contempt of the circuit court that issued the summons.

(f) All expenses incident to the filing of the affidavit and the issuance and service of the summons under this section shall be charged to the officer or member against whom the summons is issued, unless the circuit court finds that the action of the officer or member was taken in good faith and with reasonable cause. If the court finds that the officer or member acted in good faith and with reasonable cause or if an affidavit has been filed without the issuance of a summons, the expenses shall:

(1) be charged against the county in which the affidavit has been filed; and

(2) be allowed by the proper fiscal officers of that county.

(g) Each member of the tax control board who is not a state employee is entitled to receive both of the following:

(1) The minimum salary per diem provided by IC 4-10-11-2.1(b).

(2) Reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(h) Each member of the tax control board who is a state employee is entitled to reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

SECTION 13. IC 20-1-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The Indiana state board of education is established.

(b) The board ~~shall consist of ten (10) the following~~ members: ~~appointed by the governor and~~

(1) The state superintendent of public instruction, ~~who serves as the chair of the state board. Of the ten (10) members appointed by the governor, a minimum of four (4) members must be persons who are actively employed in the schools in Indiana and who hold a valid teaching license. At least~~

(2) One (1) member ~~must be appointed elected~~ from each congressional district in Indiana ~~No more than six (6) members of the board may be appointed from the membership of any one (1) political party; on a nonpartisan basis in the year that an election for governor is held.~~

(c) A quorum of the state board consists of six (6) members of the board, and an action of the board is not official unless it is authorized by at least six (6) members. ~~The superintendent of public instruction shall serve as chairman of the board. Appointed board members shall serve for~~

(d) ~~An elected board member serves a term of four (4) years unless dismissed before the expiration of four (4) years by the~~

governor for just cause. Any appointment to beginning January 1 after the member's election. The governor shall fill a vacancy occurring on the board ~~shall be~~ for the unexpired term of the member whose position is vacant.

~~(b)~~ (e) The superintendent of public instruction shall appoint six (6) persons who shall serve on the advisory committee on textbook adoption. The state superintendent of public instruction or ~~his~~ the state superintendent's designee shall serve as a voting member of the committee. At least four (4) of the members of the advisory committee on textbook adoptions shall be actively employed in the schools in Indiana and hold a valid teaching license. ~~No~~ Not more than four (4) of the members of the committee may be appointed from the membership of any one (1) political party. The state superintendent or ~~his~~ the state superintendent's designee shall serve as chairman of the committee. Committee members shall serve at the pleasure of the superintendent of public instruction.

~~(e)~~ (f) The board and the committee shall meet at such times as they determine. ~~The terms of office of the appointive members of the board shall commence on July 1.~~

~~(d)~~ (g) The board may establish other advisory committees as necessary to provide technical and professional assistance to the board.

~~(e)~~ (h) Whenever the board is required to conduct hearings under IC 4-21.5-3, the board may use hearing examiners who are not members of the board to conduct the hearings.

SECTION 14. IC 20-1-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The board shall elect one (1) of its members to serve as secretary, who shall have the custody of its records, papers, and effects, and shall keep minutes of its proceedings. The records, papers, effects, and minutes of all meetings and actions of the board shall be kept at the office of the state superintendent of public instruction and shall be open for public inspection. The board shall adopt and use a seal, on the face of which shall be the words "Indiana State Board of Education". A written description of the seal shall be recorded on the minutes of the board and filed in the office of the secretary of state. The seal shall be used for the authentication of the acts of the board and the important acts of the state department of education.

~~(b) Appointive members~~ An elected member of the board who ~~are~~ is not officers an officer or employees employee of the state ~~are~~ is entitled to an annual salary of two thousand dollars (\$2,000). Appointive members of the advisory committees who are not officers or employees of the state are entitled to the minimum salary per diem provided in IC 4-10-11-2.1(b) while performing their respective duties as committee members. All members of the board or committees are entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with their duties as board or committee members, as provided in the state travel policies and procedures established by the department of administration and approved by the state budget agency. The compensation of members employed in the public schools shall not be decreased because of regular service on the board or on one of the committees.

SECTION 15. IC 20-1-11.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~After January 9, 2005, the governor shall appoint the state superintendent of public instruction. shall be elected under IC 3-10-2-6 by the voters of the state. The term of office of the superintendent is four (4) years, beginning on the second Monday in January after election and continuing until a successor is elected and qualified. of public instruction serves at the pleasure of the governor for a salary fixed by the governor.~~

SECTION 16. IC 20-1-20.5-4, AS AMENDED BY P.L.112-2002, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The roundtable consists of the following members:

(1) A number of members appointed ~~jointly~~ by the governor. ~~and the superintendent of public instruction.~~ These members must be representatives of:

- (A) business and community leaders;
- (B) elementary and secondary education, including programs for exceptional learners (as defined in IC 20-10.2-2-5.5); and
- (C) higher education.

The number of members appointed under clause (A) must be equal to the number of members appointed under clauses (B) and (C).

(2) Two (2) members appointed by the president pro tempore of the senate from different political parties.

(3) Two (2) members appointed by the speaker of the house of representatives from different political parties.

SECTION 17. IC 20-1-20.5-6, AS AMENDED BY P.L.146-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) ~~The governor and the state superintendent of public instruction shall jointly serve~~ serves as ~~cochairpersons chair~~ of the roundtable. The roundtable shall meet upon the call of the ~~cochairpersons chair~~.

(b) A quorum of the roundtable must be present to conduct business. A quorum consists of a majority of the voting members appointed to the roundtable. The roundtable may not take an official action unless the official action has been approved by at least a majority of the voting members appointed to serve on the roundtable.

SECTION 18. IC 20-5.5-3-11, AS AMENDED BY P.L.1-2002, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) This section applies if the sponsor rejects a proposal.

(b) The organizer may appeal the decision of the sponsor to the charter school review panel created under subsection (c).

(c) The charter school review panel is created. The members of the panel are the following:

- (1) ~~the governor or~~ The governor's designee.
- (2) The state superintendent of public instruction, who shall chair the panel.
- (3) A member of the board appointed by the state superintendent of public instruction.
- (4) A person with financial management experience appointed by the governor. ~~and~~
- (5) A community leader with knowledge of charter school issues appointed ~~jointly~~ by the governor. ~~and the state superintendent of public instruction.~~

Members shall serve a two (2) year term and may be reappointed to the panel upon expiration of their terms.

(d) All decisions of the panel shall be determined by a majority vote of the panel's members.

(e) Upon the request of an organizer, the panel shall meet to consider the organizer's proposal and the sponsor's reasons for rejecting the proposal. The panel must allow the organizer and sponsor to participate in the meeting.

(f) After the panel meets under subsection (e), the panel shall make one (1) of the following three (3) findings and issue the finding to the organizer and the sponsor:

- (1) A finding that supports the sponsor's rejection of the proposal.
- (2) A finding that:
  - (A) recommends that the organizer amend the proposal; and
  - (B) specifies the changes to be made in the proposal if the organizer elects to amend the proposal.
- (3) A finding that approves the proposal.

The panel shall issue the finding not later than forty-five (45) days after the panel receives the request for review.

(g) If the panel makes a finding described in subsection (f)(1), the finding is final.

(h) If the panel makes a finding described in subsection (f)(2), the organizer may amend the proposal according to the panel's recommendations and resubmit the proposal directly to the panel.

(I) If the panel makes a finding described in subsection (f)(3), the proposal is considered conditionally approved. The approval shall be considered final upon the delivery to the panel of written notice from the organizer and an eligible sponsor, as identified in IC 20-5.5-1-15, that the sponsor has agreed to serve as a sponsor for the proposal approved by the panel.

(j) Proposals approved under this section shall not be counted under any numerical limits placed upon a sponsor or set of sponsors.

SECTION 19. IC 3-8-1-10.5 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 20. An emergency is declared for this act.

(Reference is to HB 1246 as introduced.)  
and when so amended that said bill do pass.  
Committee Vote: yeas 11, nays 3.

PORTER, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1254, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 12, after "guardian" insert ", **stepparent**,".

Page 2, line 9, after "parent" insert ", **stepparent**,".

(Reference is to HB 1254 as introduced.)  
and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 1.

RESKE, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1256, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 11, nays 1.

RESKE, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1265, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 26, nays 1.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1266, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, delete lines 30 through 39, begin a new paragraph and insert:

"SECTION 4. IC 5-22-2-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 13.5. "Internet" means the international computer network of both federal and nonfederal interoperable packet switched data networks, including the graphical subnetwork called the world wide web.**

SECTION 5. IC 5-22-2-13.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 13.7. "Internet purchasing site" means an open and interactive electronic environment that is designed to facilitate the purchase of supplies by means of the Internet."**

SECTION 6. IC 5-22-2-28.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 28.5. "Reverse auction" means a method of purchasing in which offerors submit offers in an open and interactive environment through the Internet."**

Page 4, between lines 21 and 22, begin a new paragraph and insert:  
"SECTION 7. IC 5-22-7-5, AS AMENDED BY P.L.31-2002, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5. (a) The purchasing agency shall give notice of the invitation for bids in the manner required by IC 5-3-1.**

**(b) The purchasing agency for a state agency shall also provide electronic access to the notice through the electronic gateway**

administered by the intelenet commission.

(c) The purchasing agency for a political subdivision may also provide electronic access to the notice through:

- (1) the electronic gateway administered by the intelenet commission as determined by the commission; **or**
- (2) **any other electronic means available to the political subdivision."**

Page 5, between lines 28 and 29, begin a new paragraph and insert:  
"SECTION 8. IC 5-22-10-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 21. (a) This section applies to:**

- (1) **municipalities; and**
- (2) **counties.**

**(b) A purchasing agency may purchase supplies:**

- (1) **through the Internet; or**
- (2) **by means of a reverse auction;**

**in accordance with written policies for the operation of the purchasing agency's Internet purchasing site.**

**(c) The purchasing agency must adopt written policies for the operation of the purchasing agency's Internet purchasing site, including policies for:**

**(1) transmitting:**

- (A) notices;**
- (B) solicitations; and**
- (C) specifications;**

**(2) receiving offers;**

**(3) making payments;**

**(4) protecting:**

**(A) the identity of an offeror; and**

**(B) the amount of an offer until the time fixed for the opening of offers;**

**(5) for a reverse auction, providing for the display of the amount of each offer previously submitted for public viewing;**

**(6) establishing the deadline by which offers must be received and will be considered to be open and available for public inspection; and**

**(7) establishing the procedure for the opening of offers.**

**(d) IC 5-22-16-6(a)(2) does not apply to a reverse auction."**

Renumber all SECTIONS consecutively.

(Reference is to HB 1266 as printed January 27, 2004.)

and when so amended that said bill do pass.

Committee Vote: yeas 27, nays 0.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1270, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 21, reset in roman "is".

Page 2, line 21, reset in roman "required to".

Page 2, line 21, delete "shall".

Page 2, line 22, after "only" insert "**the**".

Page 4, delete lines 5 through 26.

Page 4, delete line 40.

Page 4, line 41, delete "(4)" and insert "**(3)**".

Page 4, line 42, delete "(5)" and insert "**(4)**".

Page 5, line 1, delete "(6)" and insert "**(5)**".

Page 5, line 2, delete "(7)" and insert "**(6)**".

Page 5, line 3, delete "(8)" and insert "**(7)**".

Page 5, delete lines 4 through 13.

Page 5, line 14, delete "(d)" and insert "**(c)**".

Page 5, line 15, delete "in any form the" and insert "**by paper or electronic medium."**

Page 5, delete line 16.

Page 5, line 17, delete "(e)" and insert "**(d)**".

Page 5, line 20, delete "(f)" and insert "**(e)**".

Page 5, line 25, delete "(g)" and insert "**(f)**".

Page 6, line 2, delete "that:" and insert "**that**".



Page 6, line 3, delete "(1)".  
 Page 6, run in lines 2 through 3.  
 Page 6, line 6, delete "chapter; and" and insert **"chapter."**.  
 Page 6, delete lines 7 through 9.  
 Page 6, line 15, strike "who knowingly fails" and insert **"shall not fail"**.  
 Page 6, line 16, after "chapter" insert ".".  
 Page 6, line 16, strike "commits a Class B misdemeanor".  
 Page 6, line 17, delete "who knowingly or" and insert **"shall not:"**.  
 Page 6, delete line 18.  
 Page 6, line 19, delete "submits" and insert **"submit"**.  
 Page 6, line 21, delete "makes" and insert **"make"**.  
 Page 6, line 22, delete "incomplete commits a" and insert **"incomplete."**.  
 Page 6, delete line 23.  
 Page 6, line 24, delete "who fails" and insert **"shall not fail"**.  
 Page 6, line 25, delete "chapter commits a Class B" and insert **"chapter."**.  
 Page 6, delete line 26.  
 Page 6, line 27, delete "who fails to:" and insert **"shall not fail to:"**.  
 Page 6, line 31, delete "2.5(g)" and insert **"2.5(f)"**.  
 Page 6, line 31, delete "chapter commits a Class A" and insert **"chapter."**.  
 Page 6, delete line 32.  
 Page 6, between lines 32 and 33, begin a new paragraph and insert:  
**"(e) A person that violates subsections (a) through (d) commits a Class A infraction."**  
 Page 6, line 33, delete "(e)" and insert **"(f)"**.  
 Page 6, line 34, strike "offense" and insert **"violation"**.  
 Page 6, line 40, delete "(f)" and insert **"(g)"**.  
 Page 6, line 40, delete "(e)," and insert **"(f),"**.  
 Page 6, line 41, delete "who" and insert **"that"**.  
 Page 6, line 41, delete "conviction" and insert **"judgment"**.  
 Page 6, line 42, delete "and is convicted of" and insert **"before"**.  
 Page 6, line 42, delete "offense" and insert **"violation that results in a judgment"**.  
 Page 7, line 2, delete "offense" and insert **"violation"**.  
 Page 7, delete lines 33 through 42.  
 Page 8, delete lines 1 through 35.  
 Page 18, delete lines 26 through 34.  
 Page 18, line 36, delete "and IC 5-16-7.5, as added by this act, apply" and insert **"applies"**.  
 Renumber all SECTIONS consecutively.  
 (Reference is to HB 1270 as introduced.)  
 and when so amended that said bill do pass.  
 Committee Vote: yeas 6, nays 4.

LIGGETT, Chair

Report adopted.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1278, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.  
 Committee Vote: yeas 24, nays 1.

CRAWFORD, Chair

Report adopted.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1282, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.  
 Committee Vote: yeas 19, nays 7.

CRAWFORD, Chair

Report adopted.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was

referred House Bill 1301, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 25, nays 0.

CRAWFORD, Chair

Report adopted.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1308, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.  
 Committee Vote: yeas 20, nays 4.

CRAWFORD, Chair

Report adopted.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1309, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 24, between lines 39 and 40, begin a new paragraph and insert:

**"SECTION 10. IC 22-3-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 21. In all cases of the death of an employee from an injury by an accident arising out of and in the course of the employee's employment under such circumstances that the employee would have been entitled to compensation if death had not resulted, the employer shall pay the burial expenses of such employee, not exceeding ~~six~~ eight thousand five hundred dollars (\$6,000): (\$8,500)."**

Page 41, between lines 26 and 27, begin a new paragraph and insert:

**"SECTION 22. IC 22-3-7-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 15. In all cases of the death of an employee from an occupational disease arising out of and in the course of the employee's employment under such circumstances that the employee would have been entitled to compensation if death had not resulted, the employer shall pay the burial expenses of such employee, not exceeding ~~six~~ eight thousand five hundred dollars (\$6,000): (\$8,500)."**

Renumber all SECTIONS consecutively.

(Reference is to HB 1309 as printed January 23, 2004.)

and when so amended that said bill do pass.

Committee Vote: yeas 18, nays 7.

CRAWFORD, Chair

Report adopted.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1320, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

**A BILL FOR AN ACT to amend the Indiana Code concerning human services.**

Delete everything after the enacting clause and insert the following:

**SECTION 1. IC 12-15-15-9, AS AMENDED BY P.L.255-2003, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 9. (a) For purposes of this section and IC 12-16-7.5-4.5, a payable claim is attributed to a county if the payable claim is submitted to the division by a hospital licensed under IC 16-21-2 for payment under IC 12-16-7.5 for care provided by the hospital to an individual who qualifies for the hospital care for the indigent program under IC 12-16-3.5-1 or IC 12-16-3.5-2 and:**

**(1) who is a resident of the county;**

**(2) who is not a resident of the county and for whom the onset of the medical condition that necessitated the care occurred in the county; or**

(3) whose residence cannot be determined by the division and for whom the onset of the medical condition that necessitated the care occurred in the county.

(b) For each state fiscal year ending after June 30, 2003, a hospital licensed under IC 16-21-2 that submits to the division during the state fiscal year a payable claim under IC 12-16-7.5 is entitled to a payment under this section.

(c) **For a state fiscal year, Except as provided under section 9.8 of this chapter and** subject to section 9.6 of this chapter, **for a state fiscal year**, the office shall pay to a hospital referred to in subsection (b) an amount equal to the amount, based on information obtained from the division and the calculations and allocations made under IC 12-16-7.5-4.5, that the office determines for the hospital under STEP SIX of the following STEPS:

STEP ONE: Identify:

(A) each hospital that submitted to the division one (1) or more payable claims under IC 12-16-7.5 during the state fiscal year; and

(B) the county to which each payable claim is attributed.

STEP TWO: For each county identified in STEP ONE, identify:

(A) each hospital that submitted to the division one (1) or more payable claims under IC 12-16-7.5 attributed to the county during the state fiscal year; and

(B) the total amount of all hospital payable claims submitted to the division under IC 12-16-7.5 attributed to the county during the state fiscal year.

STEP THREE: For each county identified in STEP ONE, identify the amount of county funds transferred to the Medicaid indigent care trust fund under STEP FOUR of IC 12-16-7.5-4.5(b).

STEP FOUR: For each hospital identified in STEP ONE, with respect to each county identified in STEP ONE, calculate the hospital's percentage share of the county's funds transferred to the Medicaid indigent care trust fund under STEP FOUR of IC 12-16-7.5-4.5(b). Each hospital's percentage share is based on the total amount of the hospital's payable claims submitted to the division under IC 12-16-7.5 attributed to the county during the state fiscal year, calculated as a percentage of the total amount of all hospital payable claims submitted to the division under IC 12-16-7.5 attributed to the county during the state fiscal year.

STEP FIVE: Subject to subsection (j), for each hospital identified in STEP ONE, with respect to each county identified in STEP ONE, multiply the hospital's percentage share calculated under STEP FOUR by the amount of the county's funds transferred to the Medicaid indigent care trust fund under STEP FOUR of IC 12-16-7.5-4.5(b).

STEP SIX: Determine the sum of all amounts calculated under STEP FIVE for each hospital identified in STEP ONE with respect to each county identified in STEP ONE.

(d) A hospital's payment under subsection (c) is in the form of a Medicaid add-on payment. The amount of a hospital's add-on payment is subject to the availability of funding for the non-federal share of the payment under subsection (e). The office shall make the payments under subsection (c) before December 15 that next succeeds the end of the state fiscal year.

(e) The non-federal share of a payment to a hospital under subsection (c) is funded from the funds transferred to the Medicaid indigent care trust fund under STEP FOUR of IC 12-16-7.5-4.5(b) of each county to which a payable claim under IC 12-16-7.5 submitted to the division during the state fiscal year by the hospital is attributed.

(f) The amount of a county's transferred funds available to be used to fund the non-federal share of a payment to a hospital under subsection (c) is an amount that bears the same proportion to the total amount of funds of the county transferred to the Medicaid indigent care trust fund under STEP FOUR of IC 12-16-7.5-4.5(b) that the total amount of the hospital's payable claims under IC 12-16-7.5 attributed to the county submitted to the division during the state fiscal year bears to the total amount of all hospital payable claims under IC 12-16-7.5 attributed to the county submitted to the division during the state fiscal year.

(g) Any county's funds identified in subsection (f) that remain after the non-federal share of a hospital's payment has been funded are

available to serve as the non-federal share of a payment to a hospital under section 9.5 of this chapter.

(h) For purposes of this section, "payable claim" has the meaning set forth in IC 12-16-7.5-2.5(b)(1).

(i) For purposes of this section:

(1) the amount of a payable claim is an amount equal to the amount the hospital would have received under the state's fee-for-service Medicaid reimbursement principles for the hospital care for which the payable claim is submitted under IC 12-16-7.5 if the individual receiving the hospital care had been a Medicaid enrollee; and

(2) a payable hospital claim under IC 12-16-7.5 includes a payable claim under IC 12-16-7.5 for the hospital's care submitted by an individual or entity other than the hospital, to the extent permitted under the hospital care for the indigent program.

(j) The amount calculated under STEP FIVE of subsection (c) for a hospital with respect to a county may not exceed the total amount of the hospital's payable claims attributed to the county during the state fiscal year.

SECTION 2. IC 12-15-15-9.5, AS ADDED BY P.L.255-2003, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 9.5. (a) For purposes of this section and IC 12-16-7.5-4.5, a payable claim is attributed to a county if the payable claim is submitted to the division by a hospital licensed under IC 16-21-2 for payment under IC 12-16-7.5 for care provided by the hospital to an individual who qualifies for the hospital care for the indigent program under IC 12-16-3.5-1 or IC 12-16-3.5-2 and;

(1) who is a resident of the county;

(2) who is not a resident of the county and for whom the onset of the medical condition that necessitated the care occurred in the county; or

(3) whose residence cannot be determined by the division and for whom the onset of the medical condition that necessitated the care occurred in the county.

(b) For each state fiscal year ending after June 30, 2003, a hospital licensed under IC 16-21-2:

(1) that submits to the division during the state fiscal year a payable claim under IC 12-16-7.5; and

(2) whose payment under section 9(c) of this chapter was less than the total amount of the hospital's payable claims under IC 12-16-7.5 submitted by the hospital to the division during the state fiscal year;

is entitled to a payment under this section.

(c) **For a state fiscal year, Except as provided in section 9.8 of this chapter and** subject to section 9.6 of this chapter, **for a state fiscal year**, the office shall pay to a hospital referred to in subsection (b) an amount equal to the amount, based on information obtained from the division and the calculations and allocations made under IC 12-16-7.5-4.5, that the office determines for the hospital under STEP EIGHT of the following STEPS:

STEP ONE: Identify each county whose transfer of funds to the Medicaid indigent care trust fund under STEP FOUR of IC 12-16-7.5-4.5(b) for the state fiscal year was less than the total amount of all hospital payable claims attributed to the county and submitted to the division during the state fiscal year.

STEP TWO: For each county identified in STEP ONE, calculate the difference between the amount of funds of the county transferred to the Medicaid indigent care trust fund under STEP FOUR of IC 12-16-7.5-4.5(b) and the total amount of all hospital payable claims attributed to the county and submitted to the division during the state fiscal year.

STEP THREE: Calculate the sum of the amounts calculated for the counties under STEP TWO.

STEP FOUR: Identify each hospital whose payment under section 9(c) of this chapter was less than the total amount of the hospital's payable claims under IC 12-16-7.5 submitted by the hospital to the division during the state fiscal year.

STEP FIVE: Calculate for each hospital identified in STEP FOUR the difference between the hospital's payment under section 9(c) of this chapter and the total amount of the hospital's payable claims under IC 12-16-7.5 submitted by the hospital to the division during the state fiscal year.

STEP SIX: Calculate the sum of the amounts calculated for each of the hospitals under STEP FIVE.

STEP SEVEN: For each hospital identified in STEP FOUR, calculate the hospital's percentage share of the amount calculated under STEP SIX. Each hospital's percentage share is based on the amount calculated for the hospital under STEP FIVE calculated as a percentage of the sum calculated under STEP SIX.

STEP EIGHT: For each hospital identified in STEP FOUR, multiply the hospital's percentage share calculated under STEP SEVEN by the sum calculated under STEP THREE. The amount calculated under this STEP for a hospital may not exceed the amount by which the hospital's total payable claims under IC 12-16-7.5 submitted during the state fiscal year exceeded the amount of the hospital's payment under section 9(c) of this chapter.

(d) A hospital's payment under subsection (c) is in the form of a Medicaid add-on payment. The amount of the hospital's add-on payment is subject to the availability of funding for the non-federal share of the payment under subsection (e). The office shall make the payments under subsection (c) before December 15 that next succeeds the end of the state fiscal year.

(e) The non-federal share of a payment to a hospital under subsection (c) is derived from funds transferred to the Medicaid indigent care trust fund under STEP FOUR of IC 12-16-7.5-4.5(b) and not expended under section 9 of this chapter. To the extent possible, the funds shall be derived on a proportional basis from the funds transferred by each county identified in subsection (c), STEP ONE:

(1) to which at least one (1) payable claim submitted by the hospital to the division during the state fiscal year is attributed; and

(2) whose funds transferred to the Medicaid indigent care trust fund under STEP FOUR of IC 12-16-7.5-4.5(b) were not completely expended under section 9 of this chapter.

The amount available to be derived from the remaining funds transferred to the Medicaid indigent care trust fund under STEP FOUR of IC 12-16-7.5-4.5(b) to serve as the non-federal share of the payment to a hospital under subsection (c) is an amount that bears the same proportion to the total amount of funds transferred by all the counties identified in subsection (c), STEP ONE, that the amount calculated for the hospital under subsection (c), STEP FIVE, bears to the amount calculated under subsection (c), STEP SIX.

(f) Except as provided in subsection (g), the office may not make a payment under this section until the payments due under section 9 of this chapter for the state fiscal year have been made.

(g) If a hospital appeals a decision by the office regarding the hospital's payment under section 9 of this chapter, the office may make payments under this section before all payments due under section 9 of this chapter are made if:

(1) a delay in one (1) or more payments under section 9 of this chapter resulted from the appeal; and

(2) the office determines that making payments under this section while the appeal is pending will not unreasonably affect the interests of hospitals eligible for a payment under this section.

(h) Any funds transferred to the Medicaid indigent care trust fund under STEP FOUR of IC 12-16-7.5-4.5(b) remaining after payments are made under this section shall be used as provided in IC 12-15-20-2(8)(D).

(I) For purposes of this section:

(1) "payable claim" has the meaning set forth in IC 12-16-7.5-2.5(b);

(2) the amount of a payable claim is an amount equal to the amount the hospital would have received under the state's fee-for-service Medicaid reimbursement principles for the hospital care for which the payable claim is submitted under IC 12-16-7.5 if the individual receiving the hospital care had been a Medicaid enrollee; and

(3) a payable hospital claim under IC 12-16-7.5 includes a payable claim under IC 12-16-7.5 for the hospital's care submitted by an individual or entity other than the hospital, to the extent permitted under the hospital care for the indigent

program.

SECTION 3. IC 12-15-15-9.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 9.8. (a) This section applies only if the office determines, based on information received from the United States Centers for Medicare and Medicaid Services, that a state Medicaid plan amendment implementing the payment methodology in:**

**(1) section 9(c) of this chapter; or**

**(2) section 9.5(c) of this chapter;**

**will not be approved by the Centers for Medicare and Medicaid Services.**

**(b) The office may amend the state Medicaid plan to implement an alternative payment methodology to the payment methodology under section 9 of this chapter. The alternative payment methodology must provide each hospital that would have received a payment under section 9(c) of this chapter during a state fiscal year with an amount for the state fiscal year that is as equal as possible to the amount each hospital would have received under the payment methodology under section 9(c) of this chapter. A payment methodology implemented under this subsection is in place of the payment methodology under section 9(c) of this chapter.**

**(c) The office may amend the state Medicaid plan to implement an alternative payment methodology to the payment methodology under section 9.5 of this chapter. The alternative payment methodology must provide each hospital that would have received a payment under section 9.5(c) of this chapter during a state fiscal year with an amount for the state fiscal year that is as equal as possible to the amount each hospital would have received under the payment methodology under section 9.5(c) of this chapter. A payment methodology implemented under this subsection is in place of the payment methodology under section 9.5(c) of this chapter.**

SECTION 4. IC 12-15-18-5.1, AS AMENDED BY P.L.66-2002, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: **Sec. 5.1. (a) For state fiscal years ending on or after June 30, 1998, the trustees and each municipal health and hospital corporation established under IC 16-22-8-6 are authorized to make intergovernmental transfers to the Medicaid indigent care trust fund in amounts to be determined jointly by the office and the trustees, and the office and each municipal health and hospital corporation.**

**(b) The treasurer of state shall annually transfer from appropriations made for the division of mental health and addiction sufficient money to provide the state's share of payments under IC 12-15-16-6(c)(2).**

**(c) The office shall coordinate the transfers from the trustees and each municipal health and hospital corporation established under IC 16-22-8-6 so that the aggregate intergovernmental transfers, when combined with federal matching funds:**

**(1) produce payments to each hospital licensed under IC 16-21 that qualifies as a disproportionate share provider under IC 12-15-16-1(a); and**

**(2) both individually and in the aggregate do not exceed limits prescribed by the federal Centers for Medicare and Medicaid Services.**

The trustees and a municipal health and hospital corporation are not required to make intergovernmental transfers under this section. The trustees and a municipal health and hospital corporation may make additional transfers to the Medicaid indigent care trust fund to the extent necessary to make additional payments from the Medicaid indigent care trust fund apply to a prior federal fiscal year as provided in IC 12-15-19-1(b).

(d) A municipal disproportionate share provider (as defined in IC 12-15-16-1) shall transfer to the Medicaid indigent care trust fund an amount determined jointly by the office and the municipal disproportionate share provider. A municipal disproportionate share provider is not required to make intergovernmental transfers under this section. A municipal disproportionate share provider may make additional transfers to the Medicaid indigent care trust fund to the extent necessary to make additional payments from the Medicaid indigent care trust fund apply to a prior federal fiscal year as provided

in IC 12-15-19-1(b).

(e) A county making a payment under IC 12-29-1-7(b) or from other county sources to a community mental health center qualifying as a community mental health center disproportionate share provider **for purposes of IC 12-15-19-9.5** shall certify that the payment represents expenditures that are eligible for federal financial participation under 42 U.S.C. 1396b(w)(6)(A) and 42 CFR 433.51. The office shall assist a county in making this certification.

SECTION 5. IC 12-15-19-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: **Sec. 9.5. (a) For each state fiscal year ending after June 30, 2003, a community mental health center disproportionate share provider that is:**

- (1) freestanding from a hospital licensed under IC 16-21; and
- (2) not operated as part of a hospital licensed under IC 16-21;

**shall receive a disproportionate share payment as provided in this section.**

**(b) Subject to subsection (f), a community mental health center disproportionate share provider described in subsection (a) shall receive a payment in the amount determined under STEP 3 of the following formula:**

**STEP 1: Determine the amounts certified for the community mental health center disproportionate share provider under IC 12-15-18-5.1(e).**

**STEP 2: Divide the amount determined under STEP 1 by a percentage equal to the state's federal medical assistance percentage for the state fiscal year.**

**STEP 3: Subtract the amount determined under STEP 1 from the amount determined under STEP 2.**

**(c) A disproportionate share payment under this section is deemed comprised of:**

- (1) the amounts certified for the community mental health center disproportionate share provider under IC 12-15-18-5.1(e); and
- (2) the amount paid to the community mental health center disproportionate share provider under subsection (b).

**(d) A disproportionate share payment under this section may not exceed the community mental health center disproportionate share provider's institution specific limit under 42 U.S.C. 1396r-4(g). The office shall determine the institution specific limit for a state fiscal year by taking into account data provided by the community mental health center disproportionate share provider that is considered reliable by the office based on:**

- (1) a periodic audit system;
- (2) the use of trending factors; and
- (3) an appropriate base year determined by the office.

**(e) The office may require independent certification of data provided by a community mental health center disproportionate share provider to the office in order to determine the community mental health center disproportionate share provider's institution specific limit.**

**(f) Subjection to section 10(b)(2) and 10(b)(3) of this chapter, payments under this section may not result in total disproportionate share payments that are in excess of the state limit on these expenditures for institutions for mental diseases under 42 U.S.C. 1396r-4(h). The office may reduce payments due under this section for a state fiscal year, on a pro rata basis, if the reduction is necessary to avoid exceeding the state limit on disproportionate share expenditures for institutions for mental diseases.**

**(g) Subject to section 10(b)(3) of this chapter, total disproportionate share payments under this section for a state fiscal year must equal ten million dollars (\$10,000,000). However, this amount may be reduced based upon the amounts certified for community mental health center disproportionate share providers under IC 12-15-18-5.1(e). The office may reduce the payments due under this section, on a pro rata basis, based upon the institution specific limits under 42 U.S.C. 1396r-4(g) of each community mental health center disproportionate share provider eligible for a payment under this section for that state fiscal year if the reduction is necessary to avoid exceeding the total payment limit established under this subsection.**

**(h) The office may recover a payment made under subsection (b) from the community mental health center disproportionate share provider if federal financial participation is disallowed for the funds certified under IC 12-15-18-5.1(e) upon which the payment was based.**

SECTION 6. IC 12-15-19-10, AS AMENDED BY P.L.283-2001, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: **Sec. 10. (a) For the state fiscal year beginning July 1, 1999, and ending June 30, 2000, the state shall pay providers as follows:**

(1) The state shall make disproportionate share provider payments to municipal disproportionate share providers qualifying under IC 12-15-16-1(b) until the state exceeds the state disproportionate share allocation (as defined in 42 U.S.C. 1396r-4(f)(2)).

(2) After the state makes all payments under subdivision (1), if the state fails to exceed the state disproportionate share allocation (as defined in 42 U.S.C. 1396r-4(f)(2)), or the state limit on disproportionate share expenditures for institutions for mental diseases (as defined in 42 U.S.C. 1396r-4(h)), the state shall make community mental health center disproportionate share provider payments to providers qualifying under IC 12-15-16-1(c). The total paid to the qualified community mental health center disproportionate share providers under section 9(a) of this chapter, including the amount of expenditures certified as being eligible for federal financial participation under IC 12-15-18-5.1(e), must be at least six million dollars (\$6,000,000).

(3) After the state makes all payments under subdivision (2), if the state fails to exceed the state disproportionate share allocation (as defined in 42 U.S.C. 1396r-4(f)(2)), the state shall make disproportionate share provider payments to providers qualifying under IC 12-15-16-1(a).

**(b) For state fiscal years beginning after June 30, 2000, the state shall pay providers as follows:**

(1) The state shall make municipal disproportionate share provider payments to providers qualifying under IC 12-15-16-1(b) until the state exceeds the state disproportionate share allocation (as defined in 42 U.S.C. 1396r-4(f)(2)).

(2) After the state makes all payments under subdivision (1), if the state fails to exceed the state disproportionate share allocation (as defined in 42 U.S.C. 1396r-4(f)(2)), the state shall make disproportionate share provider payments to providers qualifying under IC 12-15-16-1(a). **Beginning in a state fiscal year ending after June 30, 2003, the total disproportionate share payments made to a state mental health institution described in IC 12-24-1-3 must be limited to an amount necessary to permit disproportionate share payments to be made under section 9.5 of this chapter without exceeding the state limit on disproportionate share expenditures for institutions for mental diseases under 42 U.S.C. 1396r-4(h).**

(3) After the state makes all payments under subdivision (2), if the state fails to exceed the state disproportionate share allocation (as defined in 42 U.S.C. 1396r-4(f)(2)), or the state limit on disproportionate share expenditures for institutions for mental diseases (as defined in 42 U.S.C. 1396r-4(h)), the state shall make community mental health center disproportionate share provider payments to providers qualifying under ~~IC 12-15-16-1(c)~~ **disproportionate share payments under section 9.5 of this chapter.**

SECTION 7. [EFFECTIVE JULY 1, 2004] **(a) The Indiana prescription drug advisory committee is established to:**

- (1) study pharmacy benefit programs and proposals, including programs and proposals in other states;
- (2) make initial and ongoing recommendations to the governor for programs that address the pharmaceutical costs of low-income senior citizens; and
- (3) review and approve changes to a prescription drug program that is established or implemented under a Medicaid waiver that uses money from the Indiana prescription drug account established under IC 4-12-8-2.

**(b) The committee consists of eleven (11) members appointed**

by the governor and four (4) legislative members. Members serving on the committee established by P.L.291-2001, SECTION 81, before its expiration on December 31, 2001, continue to serve. The term of each member expires December 31, 2006. The members of the committee appointed by the governor are as follows:

- (1) A physician with a specialty in geriatrics.
- (2) A pharmacist.
- (3) A person with expertise in health plan administration.
- (4) A representative of an area agency on aging.
- (5) A consumer representative from a senior citizen advocacy organization.
- (6) A person with expertise in and knowledge of the federal Medicare program.
- (7) A health care economist.
- (8) A person representing a pharmaceutical research and manufacturing association.
- (9) A township trustee.
- (10) Two (2) other members as appointed by the governor.

The four (4) legislative members shall serve as nonvoting members. The speaker of the house of representatives and the president pro tempore of the senate shall each appoint two (2) legislative members, who may not be from the same political party, to serve on the committee.

(c) The governor shall designate a member to serve as chairperson. A vacancy with respect to a member shall be filled in the same manner as the original appointment. Each member is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties. The expenses of the committee shall be paid from the Indiana prescription drug account created by IC 4-12-8-2. The office of the secretary of family and social services shall provide staff for the committee. The committee is a public agency for purposes of IC 5-14-1.5 and IC 5-14-3. The committee is a governing body for purposes of IC 5-14-1.5.

(d) Not later than September 1, 2004, the committee shall make program design recommendations to the governor and the family and social services administration concerning the following:

- (1) Eligibility criteria, including the desirability of incorporating an income factor based on the federal poverty level.
- (2) Benefit structure.
- (3) Cost-sharing requirements, including whether the program should include a requirement for copayments or premium payments.
- (4) Marketing and outreach strategies.
- (5) Administrative structure and delivery systems.
- (6) Evaluation.

(e) The recommendations shall address the following:

- (1) Cost-effectiveness of program design.
- (2) Coordination with existing pharmaceutical assistance programs.
- (3) Strategies to minimize crowd-out of private insurance.
- (4) Reasonable balance between maximum eligibility levels and maximum benefit levels.
- (5) Feasibility of a health care subsidy program where the amount of the subsidy is based on income.
- (6) Advisability of entering into contracts with health insurance companies to administer the program.

(f) This SECTION expires December 31, 2006.

SECTION 8. P.L.224-2003, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: SECTION 70.

(a) As used in this SECTION, "high Medicaid utilization nursing facility" means the smallest number of those nursing facilities with the greatest number of Medicaid patient days for which it is necessary to assess a lower quality assessment to satisfy the statistical test set forth in 42 CFR 433.68(e)(2)(ii).

(b) As used in this SECTION, "nursing facility" means a health facility that is:

- (1) licensed under IC 16-28 as a comprehensive care facility; and
- (2) certified for participation in the federal Medicaid program under Title XIX of the federal Social Security Act (42 U.S.C. 1396 et seq.).

(c) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(d) As used in this SECTION, "total annual revenue" does not include revenue from Medicare services provided under Title XVIII of the federal Social Security Act (42 U.S.C. 1395 et seq.).

(e) Effective August 1, 2003, the office shall collect a quality assessment from each nursing facility that has:

- (1) a Medicaid utilization rate of at least twenty-five percent (25%); and
- (2) at least seven hundred thousand dollars (\$700,000) in annual Medicaid revenue, adjusted annually by the average annual percentage increase in Medicaid rates.

(f) The money collected from the quality assessment may be used only to pay the state's share of the costs for Medicaid services provided under Title XIX of the federal Social Security Act (42 U.S.C. 1396 et seq.) as follows:

- (1) Twenty percent (20%) as determined by the office.
- (2) Eighty percent (80%) to nursing facilities.

(g) The office may not begin collection of the quality assessment set under this SECTION before the office calculates and begins paying enhanced reimbursement rates set forth in this SECTION.

(h) If federal financial participation becomes unavailable to match money collected from the quality assessments for the purpose of enhancing reimbursement to nursing facilities for Medicaid services provided under Title XIX of the federal Social Security Act (42 U.S.C. 1396 et seq.), the office shall cease collection of the quality assessment under the SECTION.

(I) The office shall adopt rules under IC 4-22-2 to implement this act.

(j) Not later than July 1, 2003, the office shall do the following:

- (1) Request the United States Department of Health and Human Services under 42 CFR 433.72 to approve waivers of 42 CFR 433.68(c) and 42 CFR 433.68(d) by demonstrating compliance with 42 CFR 433.68(e)(2)(ii).
- (2) Submit any state Medicaid plan amendments to the United States Department of Health and Human Services that are necessary to implement this SECTION.

(k) After approval of the waivers and state Medicaid plan amendment applied for under subsection (j), the office shall implement this SECTION effective July 1, 2003.

(l) The select joint commission on Medicaid oversight, established by IC 2-5-26-3, shall review the implementation of this SECTION. The office may not make any change to the reimbursement for nursing facilities unless the select joint commission on Medicaid oversight recommends the reimbursement change.

(m) A nursing facility may not charge the nursing facility's residents for the amount of the quality assessment that the nursing facility pays under this SECTION.

(n) This SECTION expires August 1, 2004-2006.

SECTION 9. [EFFECTIVE JULY 1, 2004]: THE FOLLOWING ARE REPEALED: P.L.2002-107, SECTION 35; P.L.2002-106, SECTION 1.

SECTION 10. **An emergency is declared for this act.**

(Reference is to HB 1320 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 26, nays 0.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1328, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 25, nays 0.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1344, has had the same under consideration and

begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation and to make an appropriation.

Page 3, line 14, after "(c)" insert **"Money in the account is continuously appropriated for the purposes of this section."**

(d) **The commission shall annually prepare a plan for the expenditure of the money in the account. The plan must be reviewed by the state budget committee before the commission may make expenditures from the fund.**

(e)".

Page 4, line 5, delete "(d)" and insert "(f)".

Page 4, line 7, delete "(e)" and insert "(g)".

Page 4, line 9, delete "Interest that".

Page 4, delete line 10.

Page 4, line 11, delete "(f)" and insert "(h)".

Page 4, line 11, after "Money" insert **"that is"**.

Page 4, line 11, after "account" insert **"under subsection (b)(2) through (b)(4)"**.

(Reference is to HB 1344 printed January 23, 2004.)  
and when so amended that said bill do pass.

Committee Vote: yeas 24, nays 2.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1347, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

**"SECTION 1. IC 6-1.1-1-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. "Fair market value" means, for purposes of determining the assessed value of real property used as residential property, the price at which a willing buyer and a willing seller dealing at arm's length would arrive, after negotiation, for a sale of property for the existing use of the property as residential property when neither is acting under compulsion and both have a reasonable knowledge of all the facts that affect value.**

**SECTION 2. IC 6-1.1-1-22.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22.7. "True tax value" means, for purposes of determining the assessed value of real property used as residential property, an assessed value that does not exceed fair market value.**

**SECTION 3. IC 6-1.1-4-5, AS AMENDED BY P.L.90-2002, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A petition for the reassessment of real property situated within a township may be filed with the department of local government finance on or before March 31st of any year which is not a general election year and in which no general reassessment of real property is made.**

**(b) The petition for reassessment referred to in subsection (a) must be signed by not less than the following percentage of all the owners of taxable real property who reside in the township:**

**(1) fifteen percent (15%) for a township which does not contain an incorporated city or town;**

**(2) five percent (5%) for a township containing all or part of an incorporated city or town which has a population of five thousand (5,000) or less;**

**(3) four percent (4%) for a township containing all or part of an incorporated city which has a population of more than five thousand (5,000) but not exceeding ten thousand (10,000);**

**(4) three percent (3%) for a township containing all or part of an incorporated city which has a population of more than ten thousand (10,000) but not exceeding fifty thousand (50,000);**

**(5) two percent (2%) for a township containing all or part of an incorporated city which has a population of more than fifty**

**thousand (50,000) but not exceeding one hundred fifty thousand (150,000); or**

**(6) one percent (1%) for a township containing all or part of an incorporated city which has a population of more than one hundred fifty thousand (150,000).**

**at least the lesser of:**

**(1) ten (10) owners of real property in a township; or**

**(2) the number of owners of real property in the township that represents owners of one percent (1%) of the assessed value of real property in the township.**

**(c) The signatures on the petition referred to in subsection (a) must be verified by the oath of one (1) or more of the signers. And, A certificate of the county auditor stating that the signers constitute the required number of resident owners of taxable real property of the township must accompany the petition.**

**SECTION 4. IC 6-1.1-4-32, AS AMENDED BY P.L.235-2003, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) As used in this section, "contract" refers to a contract entered into under this section.**

**(b) As used in this section, "contractor" refers to a firm that enters into a contract with the department of local government finance under this section.**

**(c) As used in this section, "qualifying county" means a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).**

**(d) Notwithstanding sections 15 and 17 of this chapter, a township assessor in a qualifying county may not appraise property, or have property appraised, for the general reassessment of real property to be completed for the March 1, 2002, assessment date. Completion of that general reassessment in a qualifying county is instead governed by this section. The only duty of:**

**(1) a township assessor in a qualifying county; or**

**(2) a county assessor of a qualifying county;**

**with respect to that general reassessment is to provide to the department of local government finance or the department's contractor under subsection (e) any support and information requested by the department or the contractor. This subsection expires June 30, 2004.**

**(e) Subject to section 33 of this chapter, the department of local government finance shall select and contract with a certified public accounting firm with expertise in the appraisal of real property to appraise property for the general reassessment of real property in a qualifying county to be completed for the March 1, 2002, assessment date. The department of local government finance may enter into additional contracts to provide software or other auxiliary services to be used for the appraisal of property for the general reassessment. The contract applies for the appraisal of land and improvements with respect to all classes of real property in the qualifying county. The contract must include:**

**(1) a provision requiring the appraisal firm to:**

**(A) prepare a detailed report of:**

**(i) expenditures made after July 1, 1999, and before the date of the report from the qualifying county's reassessment fund under section 28 of this chapter (repealed); and**

**(ii) the balance in the reassessment fund as of the date of the report; and**

**(B) file the report with:**

**(i) the legislative body of the qualifying county;**

**(ii) the prosecuting attorney of the qualifying county;**

**(iii) the department of local government finance; and**

**(iv) the attorney general;**

**(2) a fixed date by which the appraisal firm must complete all responsibilities under the contract;**

**(3) subject to subsection (t), a provision requiring the appraisal firm to use the land values determined for the qualifying county under section 13.6 of this chapter (before its repeal);**

**(4) a penalty clause under which the amount to be paid for appraisal services is decreased for failure to complete specified services within the specified time;**

**(5) a provision requiring the appraisal firm to make periodic reports to the department of local government finance;**

**(6) a provision stipulating the manner in which, and the time intervals at which, the periodic reports referred to in subdivision**



- (5) are to be made;
- (7) a precise stipulation of what service or services are to be provided;
- (8) a provision requiring the appraisal firm to deliver a report of the assessed value of each parcel in a township in the qualifying county to the department of local government finance; and
- (9) any other provisions required by the department of local government finance.

After December 31, 2001, the department of local government finance has all the powers and duties of the state board of tax commissioners provided under a contract entered into under this subsection (as effective before January 1, 2002) before January 1, 2002. The contract is valid to the same extent as if it were entered into by the department of local government finance. However, a reference in the contract to the state board of tax commissioners shall be treated as a reference to the department of local government finance. The contract shall be treated for all purposes, including the application of IC 33-3-5-2.5, as the contract of the department of local government finance. If the department of local government finance terminates a contract before completion of the work described in this subsection, the department shall contract for completion of the work as promptly as possible under IC 5-22-6. This subsection expires June 30, 2004.

(f) At least one (1) time each month, the contractors that will make physical visits to the site of real property for reassessment purposes shall publish a notice under IC 5-3-1 describing the areas that are scheduled to be visited within the next thirty (30) days and explaining the purposes of the visit. The notice shall be published in a way to promote understanding of the purposes of the visit in the affected areas. After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection (e), the department of local government finance shall give notice to the taxpayer and the county assessor, by mail, of the amount of the reassessment. The notice of reassessment:

- (1) is subject to appeal by the taxpayer under section 34 of this chapter; and
- (2) must include a statement of the taxpayer's rights under sections 33 and 34 of this chapter.

(g) The department of local government finance shall mail the notice required by subsection (f) within ninety (90) days after the department receives the report for a parcel from the professional appraisal firm. This subsection expires June 30, 2004.

(h) The qualifying county shall pay the cost of any contract under this section which shall be without appropriation from the county property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under a contract. However, the maximum amount that the qualifying county is obligated to pay for all contracts entered into under subsection (e) for the general reassessment of real property in the qualifying county to be completed for the March 1, 2002, assessment date is twenty-five million five hundred thousand dollars (\$25,500,000). Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

- (1) submits, in the form required by IC 5-11-10-1, a fully itemized, certified bill for the costs under the contract of the work performed to the department of local government finance for review;
- (2) obtains from the department of local government finance:
  - (A) approval of the form and amount of the bill; and
  - (B) a certification that the billed goods and services billed for payment have been received and comply with the contract; and
- (3) files with the county auditor of the qualifying county:
  - (A) a duplicate copy of the bill submitted to the department of local government finance;
  - (B) the proof of approval provided by the department of local government finance of the form and amount of the bill that was approved; and
  - (C) the certification provided by the department of local government finance that indicates that the goods and services billed for payment have been received and comply with the contract.

An approval and a certification under subdivision (2) shall be treated

as conclusively resolving the merits of the claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit, publish the claim as required by IC 36-2-6-3, and submit the claim to the county executive of the qualifying county. The county executive shall allow the claim, in full, as approved by the department of local government finance without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after completion of the publication requirements under IC 36-2-6-3. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department of local government finance. Compliance with this subsection shall be treated as compliance with section 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection. This subsection expires June 30, 2004.

(I) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department of local government finance under this section:

- (1) The commissioner of the Indiana department of administration.
- (2) The director of the budget agency.
- (3) The attorney general.
- (4) The governor.

(j) With respect to a general reassessment of real property to be completed under section 4 of this chapter for an assessment date after the March 1, 2002, assessment date, the department of local government finance shall initiate a review with respect to the real property in a qualifying county or a township in a qualifying county, or a portion of the real property in a qualifying county or a township in a qualifying county. The department of local government finance may contract to have the review performed by an appraisal firm. The department of local government finance or its contractor shall determine for the real property under consideration and for the qualifying county or township the variance between:

- (1) the total assessed valuation of the real property within the qualifying county or township; and
- (2) the total assessed valuation that would result if the real property within the qualifying county or township were valued in the manner provided by law.

(k) If:

- (1) the variance determined under subsection (j) exceeds ten percent (10%); and
- (2) the department of local government finance determines after holding hearings on the matter that a special reassessment should be conducted;

the department shall contract for a special reassessment by an appraisal firm to correct the valuation of the property.

(l) If the variance determined under subsection (j) is ten percent (10%) or less, the department of local government finance shall determine whether to correct the valuation of the property under:

- (1) sections 9 and 10 of this chapter; or
- (2) IC 6-1.1-14-10 and IC 6-1.1-14-11.

(m) The department of local government finance shall give notice by mail to a taxpayer of a hearing concerning the department's intent to cause the taxpayer's property to be reassessed under this section. The time fixed for the hearing must be at least ten (10) days after the day the notice is mailed. The department of local government finance may conduct a single hearing under this section with respect to multiple properties. The notice must state:

- (1) the time of the hearing;
- (2) the location of the hearing; and
- (3) that the purpose of the hearing is to hear taxpayers' comments and objections with respect to the department of local government finance's intent to reassess property under this chapter.

(n) If the department of local government finance determines after



the hearing that property should be reassessed under this section, the department shall:

- (1) cause the property to be reassessed under this section;
  - (2) mail a certified notice of its final determination to the county auditor of the qualifying county in which the property is located; and
  - (3) notify the taxpayer by mail of its final determination.
- (o) A reassessment may be made under this section only if the notice of the final determination under subsection (m) is given to the taxpayer within the same period prescribed in IC 6-1.1-9-3 or IC 6-1.1-9-4.

(p) If the department of local government finance contracts for a special reassessment of property under this section, the qualifying county shall pay the bill, without appropriation, from the county property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under a contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

- (1) submits, in the form required by IC 5-11-10-1, a fully itemized, certified bill for the costs under the contract of the work performed to the department of local government finance for review;
- (2) obtains from the department of local government finance:
  - (A) approval of the form and amount of the bill; and
  - (B) a certification that the billed goods and services billed for payment have been received and comply with the contract; and
- (3) files with the county auditor of the qualifying county:
  - (A) a duplicate copy of the bill submitted to the department of local government finance;
  - (B) the proof of approval provided by the department of local government finance of the form and amount of the bill that was approved; and
  - (C) the certification provided by the department of local government finance that indicates that the goods and services billed for payment have been received and comply with the contract.

An approval and a certification under subdivision (2) shall be treated as conclusively resolving the merits of the claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit, publish the claim as required by IC 36-2-6-3, and submit the claim to the county executive of the qualifying county. The county executive shall allow the claim, in full, as approved by the department of local government finance without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after completion of the publication requirements under IC 36-2-6-3. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department of local government finance. Compliance with this subsection shall be treated as compliance with section 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection.

(q) A qualifying official (as defined in IC 33-3-5-2.5) shall provide information requested in writing by the department of local government finance or the department's contractor under this section not later than seven (7) days after receipt of the written request from the department or the contractor. If a qualifying official (as defined in IC 33-3-5-2.5) fails to provide the requested information within the time permitted in this subsection, the department of local government finance or the department's contractor may seek an order of the tax court under IC 33-3-5-2.5 for production of the information.

(r) The provisions of this section are severable in the manner provided in IC 1-1-1-8(b).

(s) A contract entered into under subsection (e) is subject to this subsection. A contractor shall use the land values determined for the qualifying county under section 13.6 of this chapter (**before its**

**repeal**) to the extent that the contractor finds that the land values reflect the true tax value of land, as determined under the statutes and the rules of the department of local government finance. If the contractor finds that the land values determined for the qualifying county under section 13.6 of this chapter (**before its repeal**) do not reflect the true tax value of land, the contractor shall determine land values for the qualifying county that reflect the true tax value of land, as determined under the statutes and the rules of the department of local government finance. The land values determined by the contractor shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter (**before its repeal**). The contractor shall notify the county assessor and the township assessors in the qualifying county of the land values as modified under this subsection. This subsection expires June 30, 2004.

(t) A contractor acting under a contract under subsection (e) may notify the department of local government finance if:

- (1) the county auditor fails to:
  - (A) certify the bill;
  - (B) publish the claim;
  - (C) submit the claim to the county executive; or
  - (D) issue a warrant or check;

as required in subsection (h) at the first opportunity the county auditor is legally permitted to do so;

- (2) the county executive fails to allow the claim as required in subsection (h) at the first opportunity the county executive is legally permitted to do so; or
- (3) a person or entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts the process under this section for payment of a bill submitted by a contractor under subsection (h).

This subsection expires June 30, 2004.

(u) The department of local government finance, upon receiving notice under subsection (t) from the contractor, shall:

- (1) verify the accuracy of the contractor's assertion in the notice that:
  - (A) a failure occurred as described in subsection (t)(1) or (t)(2); or
  - (B) a person or entity acted or failed to act as described in subsection (t)(3); and
- (2) provide to the treasurer of state the department of local government finance's approval under subsection (h)(2)(A) of the bill with respect to which the contractor gave notice under subsection (t).

This subsection expires June 30, 2004.

(v) Upon receipt of the approval of the department of local government finance under subsection (u), the treasurer of state shall pay the contractor the amount of the bill approved by the department of local government finance from money in the possession of the state that would otherwise be available for distribution to the qualifying county, including distributions from the property tax replacement fund or distributions of admissions taxes or wagering taxes. This subsection expires June 30, 2004.

(w) The treasurer of state shall withhold from the part attributable to the county of the next distribution to the county treasurer under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b), or another law the amount of any payment made by the treasurer of state to the contractor under subsection (v). Money shall be deducted first from money payable under IC 6-1.1-21-4(b) and then from all other funds payable to the qualifying county. This subsection expires June 30, 2004.

(x) Compliance with subsections (t) through (w) shall be treated as compliance with IC 5-11-10. This subsection expires June 30, 2004.

(y) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections (t) through (w). This subsection and subsections (t) through (x) shall be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county under this section are paid. Nothing in this subsection or subsections (t) through (x) shall be construed to create a debt of the state. This subsection expires June 30, 2004.

(z) This section expires December 31, 2006.

SECTION 5. IC 6-1.1-4-35, AS ADDED BY P.L.1-2004, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 35. (a) This section applies to a county other than a county subject to section 32 of this chapter.

(b) This section applies to a general reassessment of real property conducted under section 4(a) of this chapter that is scheduled to become effective for property taxes first due and payable in 2003.

(c) As used in this section, "department" refers to the department of local government finance.

(d) As used in this section, "reassessment official" means any of the following:

- (1) A county assessor.
- (2) A township assessor.
- (3) A township trustee-assessor.

(e) If:

- (1) the department determines that a county's reassessment officials are unable to complete the reassessment in a timely manner; or
- (2) the department determines that a county's reassessment officials are likely to complete the reassessment in an inaccurate manner;

the department may order a state conducted reassessment in the county. The department may consider a reassessment in a county untimely if the county does not submit the county's equalization study to the department in the manner prescribed under 50 IAC 14 before October 20, 2003. The department may consider the reassessment work of a county's reassessment officials inaccurate if the department determines from a sample of the assessments completed in the county that there is a variance exceeding ten percent (10%) between the total assessed valuation of the real property within the sample and the total assessed valuation that would result if the real property within the sample were valued in the manner provided by law.

(f) If the department orders a state conducted reassessment in a county, the department shall assume the duties of the county's reassessment officials. Notwithstanding sections 15 and 17 of this chapter, a reassessment official in a county subject to an order issued under this section may not assess property or have property assessed for the general reassessment. Until the state conducted reassessment is completed under this section, the reassessment duties of a reassessment official in the county are limited to providing the department or a contractor of the department the support and information requested by the department or the contractor.

(g) Before assuming the duties of a county's reassessment officials, the department shall transmit a copy of the department's order requiring a state conducted reassessment to the county's reassessment officials, the county fiscal body, the county auditor, and the county treasurer. Notice of the department's actions must be published one (1) time in a newspaper of general circulation in the county. The department is not required to conduct a public hearing before taking action under this section.

(h) Township and county officials in a county subject to an order issued under this section shall, at the request of the department or the department's contractor, make available and provide access to all:

- (1) data;
- (2) records;
- (3) maps;
- (4) parcel record cards;
- (5) forms;
- (6) computer software systems;
- (7) computer hardware systems; and
- (8) other information;

related to the reassessment of real property in the county. The information described in this subsection must be provided at no cost to the department or the contractor of the department. A failure to provide information requested under this subsection constitutes a failure to perform a duty related to a general reassessment and is subject to IC 6-1.1-37-2.

(i) The department may enter into a contract with a professional appraising firm to conduct a reassessment under this section. If a county or a township located in the county entered into a contract with a professional appraising firm to conduct the county's reassessment before the department orders a state conducted reassessment in the county under this section, the contract:

(1) is as valid as if it had been entered into by the department; and

(2) shall be treated as the contract of the department.

(j) After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection (i), the department of local government finance shall give notice to the taxpayer and the county assessor, by mail, of the amount of the reassessment. The notice of reassessment:

(1) is subject to appeal by the taxpayer under section 37 of this chapter; and

(2) must include a statement of the taxpayer's rights under section 37 of this chapter.

(k) The department shall forward a bill for services provided under a contract described in subsection (i) to the auditor of the county in which the state conducted reassessment occurs. The county shall pay the bill under the procedures prescribed by subsection (l).

(l) A county subject to an order issued under this section shall pay the cost of a contract described in subsection (i), without appropriation, from the county's property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under the contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

(1) submits to the department a fully itemized, certified bill in the form required by IC 5-11-10-1 for the costs of the work performed under the contract;

(2) obtains from the department:

- (A) approval of the form and amount of the bill; and
- (B) a certification that the billed goods and services have been received and comply with the contract; and

(3) files with the county auditor:

- (A) a duplicate copy of the bill submitted to the department;
- (B) proof of the department's approval of the form and amount of the bill; and

(C) the department's certification that the billed goods and services have been received and comply with the contract.

The department's approval and certification of a bill under subdivision (2) shall be treated as conclusively resolving the merits of a contractor's claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit, publish the claim as required by IC 36-2-6-3, and submit the claim to the county executive. The county executive shall allow the claim, in full, as approved by the department, without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after the completion of the publication requirements under IC 36-2-6-3. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department. Compliance with this subsection constitutes compliance with section 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection.

(m) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department entered into under this section:

- (1) The commissioner of the Indiana department of administration.
- (2) The director of the budget agency.
- (3) The attorney general.

(n) If the money in a county's property reassessment fund is insufficient to pay for a reassessment conducted under this section, the department may increase the tax rate and tax levy of the county's property reassessment fund to pay the cost and expenses related to the reassessment.

(o) The department or the contractor of the department shall use the land values determined under section 13.6 of this chapter (**before its repeal**) for a county subject to an order issued under this section to the extent that the department or the contractor finds that the land values reflect the true tax value of land, as determined under this

article and the rules of the department. If the department or the contractor finds that the land values determined for the county under section 13.6 of this chapter (**before its repeal**) do not reflect the true tax value of land, the department or the contractor shall determine land values for the county that reflect the true tax value of land, as determined under this article and the rules of the department. Land values determined under this subsection shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter (**before its repeal**). The department or the contractor of the department shall notify the county's reassessment officials of the land values determined under this subsection.

(p) A contractor of the department may notify the department if:

(1) a county auditor fails to:

- (A) certify the contractor's bill;
- (B) publish the contractor's claim;
- (C) submit the contractor's claim to the county executive; or
- (D) issue a warrant or check for payment of the contractor's bill;

as required by subsection (l) at the county auditor's first legal opportunity to do so;

(2) a county executive fails to allow the contractor's claim as legally required by subsection (l) at the county executive's first legal opportunity to do so; or

(3) a person or an entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts progress under this section for payment of the contractor's bill.

(q) The department, upon receiving notice under subsection (p) from a contractor of the department, shall:

(1) verify the accuracy of the contractor's assertion in the notice that:

- (A) a failure occurred as described in subsection (p)(1) or (p)(2); or
- (B) a person or entity acted or failed to act as described in subsection (p)(3); and

(2) provide to the treasurer of state the department's approval under subsection (l)(2)(A) of the contractor's bill with respect to which the contractor gave notice under subsection (p).

(r) Upon receipt of the department's approval of a contractor's bill under subsection (q), the treasurer of state shall pay the contractor the amount of the bill approved by the department from money in the possession of the state that would otherwise be available for distribution to the county, including distributions from the property tax replacement fund or distribution of admissions taxes or wagering taxes.

(s) The treasurer of state shall withhold from the money that would be distributed under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b) or any other law to a county described in a notice provided under subsection (p) the amount of a payment made by the treasurer of state to the contractor of the department under subsection (r). Money shall be withheld first from the money payable to the county under IC 6-1.1-21-4(b) and then from all other sources payable to the county.

(t) Compliance with subsections (p) through (s) constitutes compliance with IC 5-11-10.

(u) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections (p) through (s). This subsection and subsections (p) through (s) must be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county subject to this section are paid. Nothing in this section shall be construed to create a debt of the state.

(v) The provisions of this section are severable as provided in IC 1-1-1-8(b).

(w) This section expires January 1, 2007.

SECTION 6. IC 6-1.1-4-40 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 40. (a) As used in this section:**

(1) "Appendix C" refers to the Real Property Assessment Guidelines for 2002, Book 1, Appendix C, issued by the department of local government finance;

(2) "Appendix G" refers to the Real Property Assessment

Guidelines for 2002, Book 2, Appendix G, issued by the department of local government finance; and

(3) "location cost multiplier" means:

(A) any multiplier or factor designed to account in the real property assessment process for variances in construction costs among jurisdictions; or

(B) a multiplier or factor determined for the same purposes and in the same manner as a location cost multiplier:

(i) determined by a county assessor as described in Appendix C or Appendix G; or

(ii) contained in Table G-1 to Appendix C or Table G-1 to Appendix G.

(b) A location cost multiplier may not be used in the assessment of real property for assessments after December 31, 2008.

SECTION 7. IC 6-1.1-5.5-3, AS AMENDED BY P.L.1-2004, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Before filing a conveyance document with the county auditor under IC 6-1.1-5-4, all the parties to the conveyance must complete and sign a sales disclosure form as prescribed by the department of local government finance under section 5 of this chapter. All the parties may sign one (1) form, or if all the parties do not agree on the information to be included on the completed form, each party may sign and file a separate form.

(b) Except as provided in subsection (c), the auditor shall forward each sales disclosure form to the county assessor. The county assessor shall retain the forms for five (5) years. The county assessor shall forward the sales disclosure form data to the department of local government finance and the legislative services agency:

(1) before January 1, 2005, in an electronic format, if possible; and

(2) after December 31, 2004, in an electronic format specified jointly by the department of local government finance and the legislative services agency.

The county assessor shall forward a copy of the sales disclosure forms to the township assessors in the county. The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13-6; sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(c) In a county containing a consolidated city, the auditor shall forward the sales disclosure form to the appropriate township assessor. The township assessor shall forward the sales disclosure form to the department of local government finance and the legislative services agency:

(1) before January 1, 2005, in an electronic format, if possible; and

(2) after December 31, 2004, in an electronic format specified jointly by the department of local government finance and the legislative services agency.

The township assessor shall forward a copy of the sales disclosure forms to the township assessors in the county. The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13-6; sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose."

Page 1, line 9, delete "2004 or" and insert "2006."

Page 1, delete line 10, begin a new paragraph and insert:

"SECTION 9. IC 6-1.1-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. ~~The powers granted to each county property tax assessment board of appeals under this chapter apply only to the tangible property assessments made with respect to the last preceding assessment date.~~ Before a county property tax assessment board of appeals changes any valuation or adds any tangible property and the value of it to a return or the assessment rolls under this chapter, the board shall give prior notice by mail to the taxpayer. The notice must state a time when and place where the taxpayer may appear before the board. The time stated in the notice must be at least ten (10) days after the date the notice is mailed.

SECTION 10. IC 6-1.1-13-6, AS AMENDED BY P.L.256-2003, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A county assessor shall inquire into the assessment of the classes of tangible property in the various townships of the county:

(1) after March 1 in the year in which ~~the~~ a general reassessment of real property becomes effective under IC 6-1.1-4-4; or

(2) in other years under the rules of the department of local government finance pertaining to:

(A) equalization under IC 6-1.1-14; and

(B) annual adjustments under IC 6-1.1-4-4.5.

The county assessor shall make any changes, whether increases or decreases, in the assessed values which are necessary in order to equalize these values in and between the various townships of the county. In addition, the county assessor shall determine the percent to be added to or deducted from the assessed values in order to make a just, equitable, and uniform equalization of assessments in and between the townships of the county.

SECTION 11. IC 6-1.1-13-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) If a county assessor proposes to change assessments under section 6 of this chapter, the property tax assessment board of appeals shall hold a hearing on the proposed changes:

(1) before July 15 in ~~the~~ a year in which a general assessment is to commence; becomes effective; or

(2) in other years under the rules of the department of local government finance pertaining to:

(A) equalization under IC 6-1.1-14; and

(B) annual adjustments under IC 6-1.1-4-4.5.

(b) It is sufficient notice of ~~the~~ a hearing under subsection (a) and of any changes in assessments ordered by the board subsequent to the hearing if the board gives notice by publication once either in:

(1) two (2) newspapers which represent different political parties and which are published in the county; or

(2) one (1) newspaper only, if two (2) newspapers which represent different political parties are not published in the county.

SECTION 12. IC 6-1.1-14-4, AS AMENDED BY P.L.90-2002, SECTION 130, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The department of local government finance shall review the assessments of all tangible property made by the various counties of this state. **The department of local government finance may employ qualified professional appraisers and other professionals to assist in the review.** If the department of local government finance determines that the assessment of a county appears to be improper, the department shall mail a certified notice to the auditor of the county informing the auditor of the department's determination to consider the modification of that county's assessment. The notice shall state whether the modification to be considered is related to real property, personal property, or both. The notice shall also state a day, at least ten (10) days after the day the notice is mailed, when a hearing on the assessment will be held. In addition to the notice to the county auditor, the department of local government finance shall give the notice, if any, required under section 9(a) of this chapter.

SECTION 13. IC 6-1.1-15-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) **This section applies to an assessment of real property used as residential property for an assessment date after February 28, 2002.**

(b) Notwithstanding IC 6-1.1-31-6(c), for purposes of:

(1) a review or an appeal under this chapter; or

(2) a hearing or an appeal under IC 6-1.1-4;

a taxpayer may state as a basis for the review that the assessed value determined by the assessing officials for the property exceeds the property's fair market value on the determination date used to value the property under the rules of the department of local government finance. If a taxpayer presents competent evidence of the property's fair market value in a review, the property shall be assessed at a value that does not exceed its fair market value.

SECTION 14. IC 6-1.1-17-1, AS AMENDED BY P.L.90-2002,

SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) On or before August 1 of each year, the county auditor shall send a certified statement, under the seal of the board of county commissioners **and in the form required by the department of local government finance**, to the fiscal officer of each political subdivision of the county and the department of local government finance. The statement shall contain:

(1) information concerning the assessed valuation in the political subdivision for the next calendar year;

(2) an estimate of the taxes to be distributed to the political subdivision during the last six (6) months of the current calendar year;

(3) the current assessed valuation as shown on the abstract of charges;

(4) the average growth in assessed valuation in the political subdivision over the preceding three (3) budget years, excluding years in which a general reassessment occurs, determined according to procedures established by the department of local government finance; and

(5) any other information at the disposal of the county auditor that might affect the assessed value used in the budget adoption process.

(b) The estimate of taxes to be distributed shall be based on:

(1) the abstract of taxes levied and collectible for the current calendar year, less any taxes previously distributed for the calendar year; and

(2) any other information at the disposal of the county auditor which might affect the estimate.

(c) The fiscal officer of each political subdivision shall present the county auditor's statement to the proper officers of the political subdivision.

SECTION 15. IC 6-1.1-19-1.5, AS AMENDED BY P.L.1-2004, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1.5. (a) The following definitions apply throughout this section and IC 21-3-1.7:

(1) "Adjustment factor" means the adjustment factor determined by the department of local government finance for a school corporation under IC 6-1.1-34.

(2) "Adjusted target property tax rate" means:

(A) the school corporation's target general fund property tax rate determined under IC 21-3-1.7-6.8; multiplied by

(B) the school corporation's adjustment factor.

(3) "Previous year property tax rate" means the school corporation's previous year general fund property tax rate after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3).

(b) Except as otherwise provided in this chapter, a school corporation may not, for a calendar year beginning after December 31, 2004, impose a general fund ad valorem property tax levy which exceeds the following:

STEP ONE: Determine the result of:

(A) the school corporation's adjusted target property tax rate; minus

(B) the school corporation's previous year property tax rate.

STEP TWO: If the school corporation's adjusted target property tax rate:

(A) exceeds the school corporation's previous year property tax rate, perform the calculation under STEP THREE and not under STEP FOUR;

(B) is less than the school corporation's previous year property tax rate, perform the calculation under STEP FOUR and not under STEP THREE; or

(C) equals the school corporation's previous year property tax rate, determine the levy resulting from using the school corporation's adjusted target property tax rate and do not perform the calculation under STEP THREE or STEP FOUR.

STEP THREE: Determine the levy resulting from using the school corporation's previous year property tax rate after increasing the rate by the lesser of:

(A) the STEP ONE result; or

(B) five cents (\$0.05).

STEP FOUR: Determine the levy resulting from using the

school corporation's previous year property tax rate after reducing the rate by the lesser of:

- (A) the absolute value of the STEP ONE result; or
- (B) five cents (\$0.05).

STEP FIVE: Determine the result of:

- (A) the STEP TWO (C), STEP THREE, or STEP FOUR result, whichever applies; plus
- (B) an amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

The maximum levy is to include the portion of any excessive levy and the levy for new facilities.

STEP SIX: Determine the result of:

- (A) the STEP FIVE result; plus
- (B) the product of:
  - (i) the weighted average of the amounts determined under IC 21-3-1.7-6.7(e) STEP NINE for all charter schools attended by students who have legal settlement in the school corporation; multiplied by
  - (ii) thirty-five hundredths (0.35).

In determining the number of students for purposes of this STEP, each kindergarten pupil shall be counted as one-half (½) pupil.

The result determined under this STEP may not be included in the school corporation's adjusted base levy for the year following the year in which the result applies or in the school corporation's determination of tuition support.

(c) For purposes of this section, "total assessed value" with respect to a school corporation means the total assessed value of all taxable property for ad valorem property taxes first due and payable during that year.

(d) The department of local government finance shall annually establish an assessment ratio and adjustment factor for each school corporation to be used upon the review and recommendation of the budget committee. The information compiled, including background documentation, may not be used in a:

- (1) review of an assessment under IC 6-1.1-8, IC 6-1.1-13, IC 6-1.1-14, or IC 6-1.1-15;
- (2) petition for a correction of error under IC 6-1.1-15-12; or
- (3) petition for refund under IC 6-1.1-26.

(e) All tax rates shall be computed by rounding the rate to the nearest ~~one-hundredth~~ **ten-thousandth** of a cent (~~\$0.0001~~); **(\$0.00001)**. All tax levies shall be computed by rounding the levy to the nearest dollar amount.

(f) For the calendar year beginning January 1, 2004, and ending December 31, 2004, a school corporation may impose a general fund ad valorem property tax levy in the amount determined under STEP EIGHT of the following formula:

STEP ONE: Determine the quotient of:

- (A) the school corporation's 2003 assessed valuation; divided by
- (B) the school corporation's 2002 assessed valuation.

STEP TWO: Determine the greater of zero (0) or the difference between:

- (A) the STEP ONE amount; minus
- (B) one (1).

STEP THREE: Determine the lesser of eleven-hundredths (0.11) or the product of:

- (A) the STEP TWO amount; multiplied by
- (B) eleven-hundredths (0.11).

STEP FOUR: Determine the sum of:

- (A) the STEP THREE amount; plus
- (B) one (1).

STEP FIVE: Determine the product of:

- (A) the STEP FOUR amount; multiplied by
- (B) the school corporation's general fund ad valorem property tax levy for calendar year 2003.

STEP SIX: Determine the lesser of:

- (A) the STEP FIVE amount; or
- (B) the levy resulting from using the school corporation's previous year property tax rate after increasing the rate by five cents (\$0.05).

STEP SEVEN: Determine the result of:

- (A) the STEP SIX amount; plus
- (B) an amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

The maximum levy is to include the part of any excessive levy and the levy for new facilities.

STEP EIGHT: Determine the result of:

- (A) the STEP SEVEN result; plus
- (B) the product of:
  - (i) the weighted average of the amounts determined under IC 21-3-1.7-6.7(e) STEP NINE for all charter schools attended by students who have legal settlement in the school corporation; multiplied by
  - (ii) thirty-five hundredths (0.35).

In determining the number of students for purposes of this STEP, each kindergarten pupil shall be counted as one-half (½) pupil.

The result determined under this STEP may not be included in the school corporation's adjusted base levy for the year following the year in which the result applies or in the school corporation's determination of tuition support.

SECTION 16. IC 6-1.1-21-4, AS AMENDED BY P.L.245-2003, SECTION 19, AND AS AMENDED BY P.L.264-2003, SECTION 12, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [[EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Each year the department shall allocate from the property tax replacement fund an amount equal to the sum of:

- (1) each county's total eligible property tax replacement amount for that year; plus
- (2) the total amount of homestead tax credits that are provided under IC 6-1.1-20.9 and allowed by each county for that year; plus
- (3) an amount for each county that has one (1) or more taxing districts that contain all or part of an economic development district that meets the requirements of section 5.5 of this chapter. This amount is the sum of the amounts determined under the following STEPS for all taxing districts in the county that contain all or part of an economic development district:

STEP ONE: Determine that part of the sum of the amounts under section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable to the taxing district.

STEP TWO: Divide:

- (A) that part of the subdivision (1) amount that is attributable to the taxing district; by
- (B) the STEP ONE sum.

STEP THREE: Multiply:

- (A) the STEP TWO quotient; times
- (B) the taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5.

(b) Except as provided in subsection (e), between March 1 and August 31 of each year, the department shall distribute to each county treasurer from the property tax replacement fund one-half (½) of the estimated distribution for that year for the county. Between September 1 and December 15 of that year, the department shall distribute to each county treasurer from the property tax replacement fund the remaining one-half (½) of each estimated distribution for that year. The amount of the distribution for each of these periods shall be according to a schedule determined by the property tax replacement fund board under section 10 of this chapter. The estimated distribution for each county may be adjusted from time to time by the department to reflect any changes in the total county tax levy upon which the estimated distribution is based.

(c) On or before December 31 of each year or as soon thereafter as possible, the department shall make a final determination of the amount which should be distributed from the property tax replacement fund to each county for that calendar year. This determination shall be known as the final determination of distribution. The department shall distribute to the county treasurer or receive back from the county treasurer any deficit or excess, as the case may be, between the sum of the distributions made for that calendar year based on the estimated distribution and the final

determination of distribution. The final determination of distribution shall be based on the auditor's abstract filed with the auditor of state, adjusted for postabstract adjustments included in the December settlement sheet for the year, and such additional information as the department may require.

(d) All distributions provided for in this section shall be made on warrants issued by the auditor of state drawn on the treasurer of state. If the amounts allocated by the department from the property tax replacement fund exceed in the aggregate the balance of money in the fund, then the amount of the deficiency shall be transferred from the state general fund to the property tax replacement fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the payment of that amount. However, any amount transferred under this section from the general fund to the property tax replacement fund shall, as soon as funds are available in the property tax replacement fund, be retransferred from the property tax replacement fund to the state general fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the replacement of that amount.

(e) Except as provided in subsection (I), the ~~department auditor of state~~ shall not distribute to a county treasurer two percent (2%) of the money otherwise distributable under subsection (b), subsection (c), and section 10 of this chapter the money attributable to the county's property reassessment fund if:

- (1) by the date the distribution is scheduled to be made, ~~(1)~~ the county auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance; ~~or~~
- (2) by the deadline under IC 36-2-9-20, the county auditor has not transmitted data as required under that section; ~~or~~
- ~~(2)~~ (3) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a).

The auditor of state shall consider the provision of information referred to in this subsection to be untimely if the department notifies the auditor of state in writing that information provided is inaccurate, incomplete, or, with respect to information referred to in subdivisions (1) and (2), not in the form required by the department of local government finance. The withholding under this subsection of two percent (2%) of money otherwise distributable under section 10 of this chapter applies separately to each distribution referred to in section 10(b) of this chapter.

(f) Except as provided in subsection (I), if the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b), the ~~state board or the department auditor of state~~ shall not distribute to the county treasurer two percent (2%) of the money otherwise distributable to the county treasurer under subsection (b), subsection (c), and section 10 of this chapter. ~~a part of the money attributable to the county's property reassessment fund. The portion not distributed is the amount that bears the same proportion to the total potential distribution as the number of townships in the county for which data was not transmitted by August 1 October 1 as described in this section bears to the total number of townships in the county.~~

(g) Money not distributed ~~under subsection (e)~~ for the reasons stated in subsection (e)(1), ~~and~~ (e)(2), and (e)(3) shall be distributed to the county when:

- (1) the county auditor sends to the department of local government finance the certified statement required to be sent under IC 6-1.1-17-1; ~~and~~
- (2) the county auditor transmits data as required under IC 36-2-9-20; and
- (3) the county assessor forwards to the department of local government finance the approved exemption applications required to be forwarded under IC 6-1.1-11-8(a);

with respect to which the failure to send, transmit, or forward resulted in the withholding of the distribution under subsection (e).

(h) Money not distributed under subsection (f) shall be distributed

to the county when the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor transmits to the department of local government finance the data required to be transmitted under IC 6-1.1-4-25(b) with respect to which the failure to transmit resulted in the withholding of the distribution under subsection (f).

(I) The restrictions on distributions under subsections (e) and (f) do not apply if the department of local government finance determines that:

- (1) the failure of:
  - (A) a county auditor to send a certified statement; or
  - (B) a county assessor to forward copies of all approved exemption applications;
 as described in subsection (e); or
- (2) the failure of an official to transmit data as described in subsection (f);

is justified by unusual circumstances.

SECTION 17. IC 6-1.1-34-9, AS AMENDED BY P.L.90-2002, SECTION 244, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. In order to perform the duties assigned to it under this chapter, the department of local government finance:

- (1) shall conduct continuing studies of all property which is subject to assessment in this state;
- (2) may request access to all local and state official records;
- (3) may secure information from the federal government or from public or private agencies;
- (4) may:
  - (A) contract with; and
  - (B) rely on findings made by: the Indiana Fiscal Policy Institute and professional appraisers;
- (5) may inspect a person's books, records, or property if the item is relevant to information which the department needs in order to implement this chapter; and
- ~~(5)~~ (6) may adopt appropriate forms and procedures.

SECTION 18. IC 6-2.3-9 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]:

#### Chapter. 9. Supplemental Utility Receipts Tax

Sec. 1. Except as provided in this chapter, IC 6-2.3-1 through IC 6-2.3-8 apply to the supplemental utility receipts tax imposed under this chapter.

Sec. 2. The receipt of taxable gross receipts from transactions is subject to a tax rate of one and two tenths percent (1.2%).

Sec. 3. On or before the fifth day of each month, the total amount of supplemental utility tax revenues received by the department in the immediately preceding month shall be deposited in the property tax replacement fund established by IC 6-1.1-21-1.

Sec. 4. (a) This subsection applies after December 31, 2004. The department, with the assistance of the department of local government finance, shall determine before January 15 of each calendar year for each county the quotient of:

- (1) the assessed value of all tangible property subject to assessment in the county in the immediately preceding calendar year under IC 6-1.1-8 owned by all public utility companies and subject to property taxes under IC 6-1.1; divided by
  - (2) the assessed value of all tangible property subject to assessment in the state in the immediately preceding calendar year under IC 6-1.1-8 owned by all public utility companies and subject to property taxes under IC 6-1.1.
- (b) The department shall immediately notify the auditor of state of the quotient determined under subsection (a).
- (c) The auditor of state shall deposit in an account for the county in the property tax replacement fund established by IC 6-1.1-21-1 the product of:
- (1) the total deposits in the fund in the immediately preceding calendar year under section 3 of this chapter; multiplied by
  - (2) the quotient determined under subsection (a).
- (d) The auditor of state shall distribute annually to the



treasurer of a county at the same time that distributions are made to the county under IC 6-1.1-21-10 an amount equal to the balance in the county's account referred to in subsection (c) as of December 31 of the immediately preceding calendar year.

Sec. 5. The county treasurer shall allocate to each taxing district in the county each calendar year a part of the distributions received under section 4(d) in an amount determined by the department of local government finance to offset the amount of supplemental homestead credits allowed in the taxing district under section 6 of this chapter.

Sec. 6. A county that receives a distribution under section 4(d) of this chapter shall apply supplemental homestead credits in the county. A supplemental homestead credit:

- (1) applies to each homestead (as defined in IC 6-1.1-20.9-1) in the county; and
- (2) is in addition to the homestead credit under IC 6-1.1-20.9.

Sec. 7. The department of local government finance shall:

- (1) determine the percentage of supplemental homestead credit that applies in each taxing district in the county; and
- (2) calculate the percentage under subdivision (1) in an amount that results in the reduction of net property taxes imposed on homesteads in each taxing district that is proportional to the increase in the last preceding general reassessment of real property under IC 6-1.1-4 in the taxing district in:

(A) the total assessed value of homesteads; as compared to

(B) the total assessed value of all tangible property subject to assessment in the immediately preceding calendar year under IC 6-1.1-8 owned by all public utility companies and subject to property taxes under IC 6-1.1.

SECTION 19. IC 6-3.5-1.1-12, AS AMENDED BY P.L.90-2002, SECTION 293, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) The part of a county's certified distribution for a calendar year that is to be used as property tax replacement credits shall be allocated by the county auditor among the civil taxing units and school corporations of the county.

(b) Except as provided in section 13 of this chapter, the amount of property tax replacement credits that each civil taxing unit and school corporation in a county is entitled to receive during a calendar year equals the product of:

- (1) that part of the county's certified distribution that is dedicated to providing property tax replacement credits for that same calendar year; multiplied by
- (2) a fraction:

(A) The numerator of the fraction equals the sum of the total property taxes ~~being that were certified to be~~ collected by the civil taxing unit or school corporation ~~during that in the immediately preceding calendar year, as provided in the approved abstract for the immediately preceding calendar year,~~ plus with respect to a civil taxing unit, the amount of federal revenue sharing funds and certified shares received by it during ~~that the immediately preceding calendar year to the extent that they are were~~ used to reduce its property tax levy below the limit imposed by IC 6-1.1-18.5 for that same calendar year.

(B) The denominator of the fraction equals the sum of the total property taxes ~~being that were certified to be~~ collected by all civil taxing units and school corporations ~~in the immediately preceding calendar year, as provided in the approved abstract for the immediately preceding calendar year,~~ plus the amount of federal revenue sharing funds and certified shares received by all civil taxing units in the county to the extent that they ~~are were~~ used to reduce the civil taxing units' property tax levies below the limits imposed by IC 6-1.1-18.5 for that same calendar year.

(c) The department of local government finance shall provide each county auditor with the amount of property tax replacement credits that each civil taxing unit and school corporation in the auditor's county is entitled to receive. The county auditor shall then certify to each civil taxing unit and school corporation the amount of property

tax replacement credits it is entitled to receive (after adjustment made under section 13 of this chapter) during that calendar year. The county auditor shall also certify these distributions to the county treasurer.

SECTION 20. IC 6-3.5-1.1-15, AS AMENDED BY P.L.255-2003, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) As used in this section, "attributed levy" of a civil taxing unit means the sum of:

(1) the ad valorem property tax levy of the civil taxing unit that ~~is currently being~~ **was certified to be** collected ~~at the time the allocation is made;~~ **in the immediately preceding calendar year, as provided in the approved abstract for the immediately preceding calendar year;** plus

(2) the ~~current~~ ad valorem property tax levy **in the immediately preceding calendar year, as provided in the approved abstract for the immediately preceding calendar year,** of any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit; plus

(3) the amount of federal revenue sharing funds and certified shares that were used by the civil taxing unit (or any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit) to reduce its ad valorem property tax levies below the limits imposed by IC 6-1.1-18.5; plus

(4) in the case of a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

(b) The part of a county's certified distribution that is to be used as certified shares shall be allocated only among the county's civil taxing units. Each civil taxing unit of a county is entitled to receive a percentage of the certified shares to be distributed in the county equal to the ratio of its attributed levy to the total attributed levies of all civil taxing units of the county.

(c) The local government tax control board established by IC 6-1.1-18.5-11 shall determine the attributed levies of civil taxing units that are entitled to receive certified shares during a calendar year. If the ad valorem property tax levy of any special taxing district, authority, board, or other entity is attributed to another civil taxing unit under subsection (b)(2), then the special taxing district, authority, board, or other entity shall not be treated as having an attributed levy of its own. The local government tax control board shall certify the attributed levy amounts to the appropriate county auditor. The county auditor shall then allocate the certified shares among the civil taxing units of the auditor's county.

(d) Certified shares received by a civil taxing unit shall be treated as additional revenue for the purpose of fixing its budget for the calendar year during which the certified shares will be received. The certified shares may be allocated to or appropriated for any purpose, including property tax relief or a transfer of funds to another civil taxing unit whose levy was attributed to the civil taxing unit in the determination of its attributed levy.

SECTION 21. IC 6-3.5-6-18, AS AMENDED BY P.L.255-2003, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) The revenue a county auditor receives under this chapter shall be used to:

(1) replace the amount, if any, of property tax revenue lost due to the allowance of an increased homestead credit within the county;

(2) fund the operation of a public communications system and computer facilities district as provided in an election, if any, made by the county fiscal body under IC 36-8-15-19(b);

(3) fund the operation of a public transportation corporation as provided in an election, if any, made by the county fiscal body under IC 36-9-4-42;

(4) make payments permitted under IC 36-7-15.1-17.5;

(5) make payments permitted under subsection (I); and

(6) make distributions of distributive shares to the civil taxing units of a county.

(b) The county auditor shall retain from the payments of the county's certified distribution, an amount equal to the revenue lost, if any, due to the increase of the homestead credit within the county.



This money shall be distributed to the civil taxing units and school corporations of the county as though they were property tax collections and in such a manner that no civil taxing unit or school corporation shall suffer a net revenue loss due to the allowance of an increased homestead credit.

(c) The county auditor shall retain the amount, if any, specified by the county fiscal body for a particular calendar year under subsection (I), IC 36-7-15.1-17.5, IC 36-8-15-19(b), and IC 36-9-4-42 from the county's certified distribution for that same calendar year. The county auditor shall distribute amounts retained under this subsection to the county.

(d) All certified distribution revenues that are not retained and distributed under subsections (b) and (c) shall be distributed to the civil taxing units of the county as distributive shares.

(e) The amount of distributive shares that each civil taxing unit in a county is entitled to receive during a month equals the product of the following:

(1) The amount of revenue that is to be distributed as distributive shares during that month; multiplied by

(2) A fraction. The numerator of the fraction equals the total property taxes that **are first due and payable to be certified to be collected by** the civil taxing unit **during in the immediately preceding calendar year, in which the month falls, as provided in the approved abstract for the immediately preceding calendar year**, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund. The denominator of the fraction equals the sum of the total property taxes that **are first due and payable to be certified to be collected by** all civil taxing units of the county during the **immediately preceding calendar year, in which the month falls, as provided in the approved abstract for the immediately preceding calendar year**, plus an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

(f) The department of local government finance shall provide each county auditor with the fractional amount of distributive shares that each civil taxing unit in the auditor's county is entitled to receive monthly under this section.

(g) Notwithstanding subsection (e), if a civil taxing unit of an adopting county does not impose a property tax levy that is first due and payable in a calendar year in which distributive shares are being distributed under this section, that civil taxing unit is entitled to receive a part of the revenue to be distributed as distributive shares under this section within the county. The fractional amount such a civil taxing unit is entitled to receive each month during that calendar year equals the product of the following:

(1) The amount to be distributed as distributive shares during that month; multiplied by

(2) A fraction. The numerator of the fraction equals the budget of that civil taxing unit for that calendar year. The denominator of the fraction equals the aggregate budgets of all civil taxing units of that county for that calendar year.

(h) If for a calendar year a civil taxing unit is allocated a part of a county's distributive shares by subsection (g), then the formula used in subsection (e) to determine all other civil taxing units' distributive shares shall be changed each month for that same year by reducing the amount to be distributed as distributive shares under subsection (e) by the amount of distributive shares allocated under subsection (g) for that same month. The department of local government finance shall make any adjustments required by this subsection and provide them to the appropriate county auditors.

(I) Notwithstanding any other law, a county fiscal body may pledge revenues received under this chapter to the payment of bonds or lease rentals to finance a qualified economic development tax project under IC 36-7-27 in that county or in any other county if the county fiscal body determines that the project will promote significant opportunities for the gainful employment or retention of employment of the county's residents.

SECTION 22. IC 6-3.5-7-12, AS AMENDED BY P.L.224-2003, SECTION 255, AND AS AMENDED BY P.L.255-2003, SECTION 6, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Except as provided in

sections 23, 25, ~~and~~ 26, and 27 of this chapter, the county auditor shall distribute in the manner specified in this section the certified distribution to the county.

(b) Except as provided in subsections (c) and (h) and sections 15 and 25 of this chapter, the amount of the certified distribution that the county and each city or town in a county is entitled to receive during May and November of each year equals the product of the following:

(1) The amount of the certified distribution for that month; multiplied by

(2) A fraction. The numerator of the fraction equals the sum of the following:

(A) Total property taxes that **are first due and payable to be certified to be collected by** the county, city, or town during the **immediately preceding calendar year, in which the month falls, as provided in the approved abstract for the immediately preceding calendar year**; plus

(B) For a county, an amount equal to  
(i) the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.  
*plus*  
(ii) *after December 31, 2004, the greater of zero (0) or the difference between the county hospital care for the indigent property tax levy imposed by the county in 2004, adjusted each year after 2004 by the statewide average assessed value growth quotient described in IC 12-16-14-3, minus the current uninsured parents program property tax levy imposed by the county.*

The denominator of the fraction equals the sum of the total property taxes that **are first due and payable to be certified to be collected by** the county and all cities and towns of the county during the **immediately preceding calendar year, in which the month falls, as provided in the approved abstract for the immediately preceding calendar year**, plus an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund. ~~and after December 31, 2004, the greater of zero (0) or the difference between the county hospital care for the indigent property tax levy imposed by the county in 2004, adjusted each year after 2004 by the statewide average assessed value growth quotient described in IC 12-16-14-3, minus the current uninsured parents program property tax levy imposed by the county.~~

(c) This subsection applies to a county council or county income tax council that imposes a tax under this chapter after June 1, 1992. The body imposing the tax may adopt an ordinance before July 1 of a year to provide for the distribution of certified distributions under this subsection instead of a distribution under subsection (b). The following apply if an ordinance is adopted under this subsection:

(1) The ordinance is effective January 1 of the following year.

(2) Except as provided in sections 25 and 26 of this chapter, the amount of the certified distribution that the county and each city and town in the county is entitled to receive during May and November of each year equals the product of:

(A) the amount of the certified distribution for the month; multiplied by

(B) a fraction. For a city or town, the numerator of the fraction equals the population of the city or the town. For a county, the numerator of the fraction equals the population of the part of the county that is not located in a city or town. The denominator of the fraction equals the sum of the population of all cities and towns located in the county and the population of the part of the county that is not located in a city or town.

(3) The ordinance may be made irrevocable for the duration of specified lease rental or debt service payments.

(d) The body imposing the tax may not adopt an ordinance under subsection (c) if, before the adoption of the proposed ordinance, any of the following have pledged the county economic development income tax for any purpose permitted by IC 5-1-14 or any other statute:

(1) The county.

(2) A city or town in the county.

(3) A commission, a board, a department, or an authority that is

authorized by statute to pledge the county economic development income tax.

(e) The department of local government finance shall provide each county auditor with the fractional amount of the certified distribution that the county and each city or town in the county is entitled to receive under this section.

(f) Money received by a county, city, or town under this section shall be deposited in the unit's economic development income tax fund.

(g) Except as provided in subsection (b)(2)(B), in determining the fractional amount of the certified distribution the county and its cities and towns are entitled to receive under subsection (b) during a calendar year, the department of local government finance shall consider only property taxes imposed on tangible property subject to assessment in that county.

(h) In a county having a consolidated city, only the consolidated city is entitled to the certified distribution, subject to the requirements of sections 15, 25, and 26 of this chapter.

SECTION 23. IC 21-3-1.7-7, AS AMENDED BY P.L.273-1999, SECTION 136, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 7. If a computation under this chapter results in a fraction and a rounding rule is not specified, the fraction shall be rounded as follows:

- (1) If it is a tax rate calculation, to the nearest ~~one-hundredth~~ **ten-thousandth** of a cent (~~(\$0.0001)~~; **(\$0.00001)**).
- (2) If it is a tuition support calculation, to the nearest cent (\$0.01).
- (3) If it is a calculation not covered by subdivision (1) or (2), to the nearest ten-thousandth (.0001).

SECTION 24. IC 36-2-9-20, AS AMENDED BY P.L.245-2003, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. The county auditor shall:

- (1) maintain an electronic data file of the information contained on the tax duplicate for all:
  - (A) parcels; and
  - (B) personal property returns;
 for each township in the county as of each assessment date;
- (2) maintain the file in the form required by:
  - (A) the legislative services agency; and
  - (B) the department of local government finance; and
- (3) **transmit to the legislative services agency and the department of local government finance the data in the file with respect to the assessment date of each year in the form required by the department of local government finance before the later of:**
  - (A) March 1 of the next year; ~~to:~~
  - ~~(A) the legislative services agency; and or~~
  - ~~(B) the department of local government finance: thirty (30) days after the county mails its initial statement under IC 6-1.1-22-8.~~

SECTION 25. [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]

(a) For purposes of this SECTION:

- (1) "department" refers to the department of local government finance;
- (2) "district" refers to a solid waste management district that has territory in more than one (1) county; and
- (3) "2004 levy" refers to the least of:
  - (A) the district's maximum permissible levy under IC 6-1.1-18.5-3;
  - (B) the district's advertised levy; and
  - (C) the district's adopted levy;
 for 2003 taxes payable in 2004.

(b) Notwithstanding:

- (1) IC 13-21-7; or
- (2) any action taken by a county or a district to fix a property tax levy for 2003 taxes payable in 2004;

the department may, for each county that participates in a district, determine under this SECTION the part of the district's property tax levy under IC 13-21-3-12(13) for 2003 taxes payable in 2004 to be levied in the county.

(c) The amount of the part referred to in subsection (b) for a county that participates in a district is the amount that bears the same proportion to the 2004 levy that the certified assessed value

of the county as of the 2002 assessment date bears to the total certified assessed value as of the 2002 assessment date of all counties that participate in the district.

(d) The department shall use the amount determined under subsection (c) in setting the tax rate of the county.

(e) This SECTION expires July 1, 2005.

SECTION 26. [EFFECTIVE UPON PASSAGE] (a) For purposes of this SECTION, "department" refers to the department of local government finance.

(b) Except as provided in subsection (e), the auditor of state shall not distribute to a county treasurer the part designated under subsection (c) of the money otherwise distributable in July, 2004, under IC 6-1.1-21-4, as amended by this act, and IC 6-1.1-21-10 if before July 1, 2004:

- (1) the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor do not transmit to the department the data for all townships in the county required to be transmitted before October 1, 2003, under IC 6-1.1-4-25(b);
- (2) the county assessor does not forward to the department the duplicate copies of all approved exemption applications required to be forwarded before August 2, 2003 under IC 6-1.1-11-8(a);
- (3) the county auditor does not send to the department a certified statement required to be sent before August 2, 2003, under IC 6-1.1-17-1 (as in effect before the amendments under this act); or
- (4) the county auditor does not transmit to the department data required to be transmitted before March 1, 2003, under IC 36-2-9-20 (as in effect before the amendments under this act).

(c) The amount of money the auditor of state shall not distribute under subsection (b) equals the product of:

- (1) two percent (2%); multiplied by
- (2) the combined amounts of the distributions for March, April, and July, 2004, referred to in IC 6-1.1-21-10(b).

(d) Except as provided in subsection (g), the auditor of state shall not distribute to a county treasurer two percent (2%) of the money otherwise distributable after July, 2004, under IC 6-1.1-21-4, as amended by this act, and IC 6-1.1-21-10 if before the date of distribution the local officials referred to in subsection (b) have not provided all of the data and information referred to in subsection (b). The withholding under this subsection applies separately to each distribution referred to in IC 6-1.1-21-10(b).

(e) Amounts withheld from distribution to the county treasurer under this SECTION are in addition to any amounts withheld from distribution under IC 6-1.1-21-4(e) or IC 6-1.1-21-4(f), both as amended by this act, before deadlines in 2004 established in those sections for failure to provide data or information.

(f) The auditor of state shall consider the provision of information referred to in subsection (b) to be untimely if the department notifies the auditor of state in writing that information provided is inaccurate, incomplete, or, with respect to information referred to in subsection (b)(2), not in the form required by the department.

(g) The restrictions on distributions under subsection (b) do not apply if the department determines that the failure to provide information as referred to in subsection (b) is justified by unusual circumstances.

(h) When local officials provide the data and information referred to in subsection (b), money withheld under subsection (b) shall be distributed under IC 6-1.1-21-4(g) and IC 6-1.1-21-4(h), both as amended by this act.

(i) This SECTION expires January 1, 2006.

SECTION 27. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) This SECTION applies only to the review or appeal of an assessment of real property used as residential property on an assessment date.

(c) This subsection applies only if the time in which a taxpayer is authorized to:

- (1) request a review under IC 6-1.1-15-1 or IC 6-1.1-15-3;

or

(2) initiate the informal hearing process under IC 6-1.1-4-33 or IC 6-1.1-4-36 that is a prerequisite to an appeal under IC 6-1.1-4-34 or IC 6-1.1-4-37; or

(3) initiate an appeal under IC 6-1.1-4-34 or IC 6-1.1-4-37 after initiating a timely informal hearing process;

has elapsed before the effective date of this SECTION, for an assessment date after February 28, 2002, and before March 1, 2004, and no review or appeal is pending on the effective date of this SECTION. The taxpayer may request a review or initiate an appeal under the appropriate provision of law before July 1, 2004, even if the taxpayer has previously initiated a review or an appeal for the same assessment date. The review or appeal is limited to consideration of competent evidence necessary to establish the fair market value of the property.

(d) If a timely initiated review or appeal is pending on the effective date of this SECTION, a taxpayer may raise the issue of the fair market value of the property in the review or an appeal after the effective date of this SECTION without initiating a new review or appeal.

(e) An assessment change that results from a review or an appeal subject to this SECTION applies to:

(1) the assessment date for which the review or an appeal is initiated; and

(2) each subsequent assessment date for which:

(A) a new assessment is not determined under IC 6-1.1; and

(B) there is not a review or an appeal of the assessment under:

(i) IC 6-1.1-15, as amended by this act; or

(ii) this SECTION.

(f) This SECTION expires January 1, 2008.

SECTION 28. [EFFECTIVE JULY 1, 2004] IC 6-1.1-19-1.5 and IC 21-3-1.7-7, both as amended by this act, apply only to property taxes first due and payable after December 31, 2004."

Page 1, delete lines 11 through 17.

Delete pages 2 through 3.

Page 4, delete lines 1 through 9.

Page 4, between lines 22 and 23, begin a new paragraph and insert:

"SECTION. 30. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 6-1.1-4-13.6; IC 6-1.1-4-13.8."

Renumber all SECTIONS consecutively.

(Reference is to HB 1347 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 15, nays 9.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1401, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 17, line 26, delete "August 1, 2004," and insert "April 1, 2005,".

Page 17, line 32, delete "2004." and insert "2005.".

Page 17, line 42, delete "December 2004" and insert "June 2005".

Page 18, between lines 3 and 4, begin a new paragraph and insert:

"(e) A change in the salary of a public officer under this SECTION may not become effective before July 1, 2005."

Page 18, line 4, delete "(e)" and insert "(f)".

Page 18, line 7, delete "(f)" and insert "(g)".

Page 18, line 7, delete "2005." and insert "2006.".

(Reference is to HB 1401 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 20, nays 6.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was

referred House Bill 1434, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 26, nays 0.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1438, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "commission" refers to the enterprise zone study commission.

(b) The commission consists of the following members:

(1) Two (2) members of the house of representatives appointed by the speaker of the house of representatives, who may not be members of the same political party.

(2) Two (2) members of the senate appointed by the president pro tempore of the senate, who may not be members of the same political party.

(3) Two (2) members appointed by the speaker of the house of representatives who are individuals involved in the operation and implementation of enterprise zones or urban enterprise associations.

(4) Two (2) members appointed by the president pro tempore of the senate who are individuals involved in the operation and implementation of enterprise zones or urban enterprise associations.

(5) The executive director of the department of commerce or the executive director's designee, who is a nonvoting member of the commission.

(6) The commissioner of the department of local government finance or the commissioner's designee, who is a nonvoting member of the commission.

(c) The chairperson of the legislative council shall appoint a chairperson of the commission.

(d) The commission shall study the following:

(1) Means of assisting enterprise zones in attracting businesses to:

(A) downtown areas; and

(B) disadvantaged areas.

(2) Ways to replace sources of funding for urban enterprise associates that were the responsibility of the owners of inventory property located in an enterprise zone before the enactment of tax deductions that eliminate most property taxes on inventory.

(3) Ways to mitigate the shift to homeowners and other property taxpayers of the property tax levies that were the responsibility of the owners of inventory property before the enactment of tax deductions that eliminate most property taxes on inventory.

(e) The commission shall operate under the policies governing study committees adopted by the legislative council.

(f) The affirmative vote of a majority of the voting members appointed to the commission is required for the commission to take action on any measure, including the final report.

(g) This SECTION expires November 1, 2004.

SECTION 2. An emergency is declared for this act.

(Reference is to HB 1438 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 24, nays 0.

CRAWFORD, Chair

Report adopted.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1446, has had the same under consideration and begs leave to report the same back to the House with the

recommendation that said bill be amended as follows:

Page 4, line 30, after "revenues." insert "**When issuing grant anticipation revenue bonds or notes, the authority is subject to the provisions of 25 IAC 5 concerning equal opportunities for minority business enterprises and women's business enterprises to participate in procurement and contracting processes.**".

(Reference is to HB 1446 as printed January 27, 2004.)

and when so amended that said bill do pass.

Committee Vote: yeas 17, nays 10.

CRAWFORD, Chair

Report adopted.

## OTHER BUSINESS ON THE SPEAKER'S TABLE

### MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Engrossed Senate Bills 179, 222, 295, 298, 308, 315, 318, 320, 322, 323, 344, 362, 389, 395, 397, 403, 405, 411, 426, 428, 441, and 449 and the same are herewith transmitted to the House for further action.

MARY C. MENDEL  
Principal Secretary of the Senate

### HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Monday, February 2, 2004 at 10:30 a.m.

HERRELL

Motion prevailed.

### PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on Representative Turner's second reading amendment to House Joint Resolution 5, Roll Call 39, on January 29, 2004. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the nay button when I intended to vote yea."

LEONARD

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the final vote tally for Roll Call 39 to 42 yeas, 54 nays.*]

### HOUSE MOTION

Mr. Speaker: I move that Representative Liggett be added as coauthor of House Bill 1022.

DAY

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representative Oxley be added as coauthor of House Bill 1039.

COCHRAN

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representative Thomas be added as coauthor of House Bill 1051.

FOLEY

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representative Buck be added as coauthor of House Bill 1054.

CHENEY

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representative Thomas be added as coauthor of House Bill 1057.

FOLEY

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representative L. Lawson be added as coauthor of House Bill 1068.

D. YOUNG

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representatives Friend and Yount be added as coauthors of House Bill 1072.

BISCHOFF

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representative Dvorak be added as coauthor of House Bill 1080.

MAYS

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representatives Mangus and Austin be added as coauthors of House Bill 1103.

DVORAK

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representative Dvorak be added as coauthor of House Bill 1111.

DUNCAN

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representatives C. Brown, Becker, and Welch be added as coauthors of House Bill 1133.

BUDAK

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representatives Goodin and Crooks be added as coauthors of House Bill 1136.

CHOWNING

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representative Thomas be added as coauthor of House Bill 1141.

KERSEY

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representative Stutzman be added as coauthor of House Bill 1147.

CROOKS

Motion prevailed.

### HOUSE MOTION

Mr. Speaker: I move that Representative Cherry be added as coauthor of House Bill 1154.

LEONARD

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Reske be added as coauthor of House Bill 1202.

L. LAWSON

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representatives Lytle, Mangus, and Chowning be added as coauthors of House Bill 1203.

FRENZ

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Moses be added as coauthor of House Bill 1218.

SUMMERS

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representatives Crawford, Pond, and Burton be added as coauthors of House Bill 1229.

BARDON

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representatives Burton, Cherry, and Oxley be added as coauthors of House Bill 1230.

BARDON

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Foley be added as coauthor of House Bill 1249.

CHENEY

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Thomas be added as coauthor of House Bill 1251.

BECKER

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Klinker be added as coauthor of House Bill 1264.

DVORAK

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative McClain be added as coauthor of House Bill 1271.

LIGGETT

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representatives Scholer and Duncan be added as coauthors of House Bill 1284.

AGUILERA

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Thomas be added as coauthor of House Bill 1293.

PIERCE

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representatives Cheney and Herrell be added as coauthors of House Bill 1306.

KROMKOWSKI

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Budak be added as coauthor of House Bill 1318.

BECKER

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representatives Espich and Kersey be added as coauthors of House Bill 1342.

LIGGETT

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Budak be added as coauthor of House Bill 1350.

AGUILERA

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Pond be added as coauthor of House Bill 1379.

NOE

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Mahern be added as coauthor of House Bill 1401.

KUZMAN

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representatives Aguilera and Thompson be added as coauthors of House Bill 1434.

CRAWFORD

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Grubb removed as cosponsor of Engrossed Senate Bill 60.

GRUBB

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Welch be added as cosponsor of Engrossed Senate Bill 188.

CRAWFORD

Motion prevailed.

Pursuant to House Rule 60, committee meetings were announced.

On the motion of Representative Hinkle, the House adjourned at 4:50 p.m., this twenty-ninth day of January, 2004, until Monday, February 2, 2004, at 10:30 a.m.

B. PATRICK BAUER

Speaker of the House of Representatives

DIANE MASARIU CARTER

Principal Clerk of the House of Representatives